County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Meeting Agenda - Final

Tuesday, September 16, 2025
9:00 AM

Join via Zoom at https://montereycty.zoom.us/j/224397747 or in person at the address listed above

Board of Supervisors

Chair Supervisor Chris Lopez - District 3
Vice Chair Supervisor Wendy Root Askew - District 4
Supervisor Kate Daniels- District 5
Supervisor Luis A. Alejo - District 1
Supervisor Glenn Church - District 2

Participation in meetings

While the Board chambers remain open, members of the public may participate in Board meetings in 2 ways:

1. You may attend the meeting in person; or,

2. You may observe the live stream of the Board of Supervisors meetings at https://monterey.legistar.com/Calendar.aspx, http://www.mgtvonline.com/, www.youtube.com/c/MontereyCountyTV or https://www.facebook.com/MontereyCoInfo/

If you choose not to attend the Board of Supervisors meeting but desire to make general public comment, or comment on a specific item on the agenda, you may do so in 2 ways:

a. submit your comment via email by 5:00 p.m. on the Monday prior to the Board meeting. Please submit your comment to the Clerk of the Board at cob@co.monterey.ca.us. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Supervisors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

b. you may participate through ZOOM. For ZOOM participation please join by computer audio at: https://montereycty.zoom.us/j/224397747

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 224397747 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

Participación en reuniones

Mientras las cámaras de la Junta permanezcan abiertas, los miembros del público pueden participar en las reuniones de la Junta de 2 maneras:

1. Podrá asistir personalmente a la reunión; o,

2. Puede observar la transmisión en vivo de las reuniones de la Junta de Supervisores en https://monterey.legistar.com/Calendar.aspx, http://www.mgtvonline.com/, www.youtube.com/c/MontereyCountyTV o https://www.facebook.com/MontereyCoInfo/

Si elige no asistir a la reunión de la Junta de Supervisores pero desea hacer comentarios del público en general o comentar un tema específico de la agenda, puede hacerlo de 2 maneras:

a. envíe su comentario por correo electrónico antes de las 5:00 p.m. el lunes anterior a la reunión de la Junta. Envíe su comentario al Secretario de la Junta a cob@co.monterey.ca.us. En un esfuerzo por ayudar al secretario a identificar el tema de la agenda relacionado con su comentario público, indique en la línea de asunto el cuerpo de la reunión (es decir, la agenda de la Junta de Supervisores) y el número de artículo (es decir, el artículo n.º 10). Su comentario se colocará en el registro en la reunión de la Junta.

b. puedes participar a través de ZOOM. Para participar en ZOOM, únase por audio de computadora en: https://montereycty.zoom.us/j/224397747

O para participar por teléfono llame a cualquiera de estos números a continuación:

+1 669 900 6833 EE. UU. (San José)
+1 346 248 7799 EE. UU. (Houston)
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+1 929 205 6099 EE. UU. (Nueva York)
+1 253 215 8782 EE. UU.
+1 301 715 8592 EE. UU.

Ingrese este número de ID de reunión: 224397747 cuando se le solicite. Tenga en cuenta que no hay un código de participante, simplemente presione # nuevamente después de que la grabación lo solicite.

Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono, presione *9 en su teclado.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN DEL PÚBLICO POR ZOOM ES ÚNICAMENTE POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA ALIMENTACIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE

INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

The Board of Supervisors welcomes you to its meetings, which are regularly scheduled each Tuesday. Your interest is encouraged and appreciated. Meetings are held in the Board Chambers located on the first floor of the Monterey County Government Center, 168 W. Alisal St., Salinas, CA 93901.
As a courtesy to others, please turn off all cell phones and pagers prior to entering the Board Chambers.

ALTERNATE AGENDA FORMATS: If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals with a disability requiring a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may make these requests to the Clerk of the Board Office.
CEREMONIAL/APPOINTMENTS/OTHER BOARD MATTERS: These items may include significant financial and administrative actions, and items of special interest, usually approved by majority vote for each program. The regular calendar also includes “Scheduled Items,” which are noticed hearings and public hearings.
CONSENT CALENDAR: These matters include routine financial and administrative actions, appear in the supplemental section by program areas, and are usually approved by majority vote.
TO ADDRESS THE BOARD ON A MATTER ON THE AGENDA: Walk to the podium and wait for recognition by the Chair. In order that all interested parties have an opportunity to speak, please be brief and limit your comments to the specific subject under discussion. Time limitations shall be at the discretion of the Chair, with equal time allocated to opposing sides of an issue insofar as possible. Allocated time may not be reserved or granted to others, except as permitted by the Chair. On matters for which a public hearing is required, please note that a court challenge to the Board’s action may be limited to only those issues raised at the public hearing or in correspondence delivered to the Board at or before the public hearing.
TO ADDRESS THE BOARD DURING PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item and may comment when the Chair calls for general public comment for items that are not on the day's agenda. The timing of public comment shall be at the discretion of the Chair.
DOCUMENT DISTRIBUTION: Documents related to agenda items that are distributed to the Board less than 72 hours prior to the meeting shall be available for public inspection at the Clerk of the Board Office, 168 W. Alisal Street, 1st Floor, Salinas, CA. Documents distributed to the Board at the meeting by County staff will be available at the meeting; documents distributed to the Board by members of the public shall be made available after the meeting.
INTERPRETATION SERVICE POLICY: The Monterey County Board of Supervisors invites and encourages the participation of Monterey County residents at its meetings. If you require the assistance of an interpreter, please contact the Clerk of the Board located in the Monterey County Government Center, 168 W. Alisal St., Salinas - or by phone at (831) 755-5066. The Clerk will make every effort to accommodate requests for interpreter assistance. Requests should be made as soon as possible, and at a minimum 24 hours in advance of any meeting of the Board of Supervisors.
La Cámara de Supervisores del Condado de Monterey invita y apoya la participación de los residentes del Condado de Monterey en sus reuniones. Si usted requiere la asistencia de un interprete, por favor comuníquese con la oficina de la Asistente de la Cámara de Supervisores localizada en el Centro de Gobierno del Condado

de Monterey, (Monterey County Government Center), 168 W. Alisal, Salinas – o por teléfono al (831) 755-5066. La Asistente hará el esfuerzo para acomodar los pedidos de asistencia de un interprete. Los pedidos se deberán hacer lo mas pronto posible, y a lo mínimo 24 horas de anticipo de cualquier reunión de la Cámara de Supervisores.

All documents submitted by the public must have no less than ten (10) copies.
The Clerk of the Board of Supervisors must receive all materials for the agenda packet by noon on the Tuesday one week prior to the Tuesday Board meeting.
Any agenda related writings or documents distributed to members of the County of Monterey Board of Supervisors regarding any open session item on this agenda will be made available for public inspection in the Clerk of the Board's Office located at 168 W. Alisal St., 1st Floor, Salinas, California. during normal business hours and in the Board Chambers on the day of the Board Meeting, pursuant to Government Code §54957.5

HELPFUL INFORMATION/INFORMACION UTIL

Sign Up For Alerts on items you may be interested in to keep informed and up to date on the Monterey County Board of Supervisors

To create an Alert please Sign Up and follow the User Guide to create alerts for calendars, meeting details, agenda items and item details at the following link:

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If assistance is needed please contact our office at the following email: cob@co.monterey.ca.us

Regístrese para recibir alertas sobre artículos que le pueden interesar para mantenerse informado y actualizado sobre la Junta de Supervisores del Condado de Monterey

Para crear una alerta, regístrese y siga la Guía del usuario para crear alertas para calendarios, detalles de reuniones, elementos de agenda y detalles de elementos en el siguiente enlace:

https://monterey.legistar.com/Default.aspx

Si necesita ayuda, comuníquese con nuestra oficina al siguiente correo electrónico: cob@co.monterey.ca.us

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to the corresponding Board Report.

PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

9:00 A.M. - Call to Order

Roll Call

Additions and Corrections for Closed Session by County Counsel

County Counsel will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:

   a. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the County Counsel.

   b. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:
   (1) *Coppick, Donna v. County of Monterey, et al.* (Monterey County Superior Court Case No. 24CV004506)

   c. Pursuant to Government Code section 54956.9(d)(2), the Board will confer with legal counsel regarding two matters of significant exposure to litigation.

   d. Pursuant to Government Code section 54957.6, the Board will provide direction to negotiators:
   (1) Designated representatives: Andreas Pyper, Kim Moore and Ariana Hurtado
   Employee Organization(s): All Units

Public Comments for Closed Session

The Board Recesses for Closed Session Agenda Items

Closed Session may be held at the conclusion of the Board's Regular Agenda, or at any other time during the course of the meeting, before or after the scheduled time, announced by the Chairperson of the Board. The public may comment on Closed Session items prior to the Board's recess to Closed Session.

10:30 A.M. - Reconvene on Public Agenda Items

Roll Call

Pledge of Allegiance

Additions and Corrections by Clerk

The Clerk of the Board will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

Ceremonial Resolutions

2. Adopt a resolution Establishing the Third Tuesday of September as National Voter Registration Day (Supervisor Lopez)

Attachments: Ceremonial Resolution - National Voter Registration Day

3. Adopt a resolution Recognizing September 15, 2025, through October 15, 2025, as Hispanic Heritage Month in Monterey County. (Supervisor Alejo)

Attachments: Ceremonial Resolution - Hispanic Heritage Month 2025

4. Adopt a resolution Honoring Ines Marines for His Lifetime of Community Leadership in Pajaro and His Advocacy for Farmworker Rights. (Supervisor Alejo)

Attachments: Ceremonial Resolution - Ines Marines

5. Adopt a resolution Declaring Bracero Workers History Recognition Week Every Year in Monterey County During the Week of September 17th and Remembering the 62nd Anniversary of the Chualar Bracero Tragedy of 1963. (Supervisor Alejo)

Attachments: Ceremonial Resolution - Bracero History Week

6. Adopt a resolution Honoring the Life and Legacy of Isidro Hernandez Tovar, the Last Surviving Bracero of Chualar. (Supervisor Alejo)

Attachments: Ceremonial Resolution - Isidro Hernandez Tovar

7. Adopt a resolution Honoring Suicide Prevention Service - A Program of Family Service Agency of the Central Coast during Suicide Awareness Month and recognizing the importance of the 988 Suicide & Crisis Lifeline. (Supervisor Root Askew)

Attachments: Ceremonial Resolution - Suicide Prevention Service

8. Adopt a resolution in Recognition of Breakthrough Men's Community and their commitment to empowering men and transforming communities. (Supervisor Root Askew)

Attachments: Ceremonial Resolution - Recognition of Breakthrough Men's Community

9. Adopt a resolution Honoring El Grito de Independencia and recognizing El Grito Salinas, organized by Tradición Por Siempre, in celebration of Hispanic Heritage Month. (Supervisor Root Askew)

Attachments: Ceremonial Resolution - Hispanic Heritage Month - El Grito Salinas

10. Adopt a resolution Celebrating the International Day of Democracy and recognizing the Associated Student Governments of California State University Monterey Bay. (Supervisor Root Askew)

Attachments: Ceremonial Resolution - International Day Of Democracy California State University Monterey Bay

11. Adopt a resolution Celebrating the International Day of Democracy and recognizing the Associated Student Governments of Monterey Peninsula College. (Supervisor Root Askew)

Attachments: Ceremonial Resolution - International Day Of Democracy Monterey Peninsula College

12. Adopt a resolution Celebrating the International Day of Democracy and recognizing the Associated Student Governments of Hartnell College. (Supervisor Root Askew)

Attachments: Ceremonial Resolution - International Day Of Democracy Hartnell College

13. Adopt a resolution Recognizing the 50th Anniversary of the Natividad Family Medicine Residency. (Supervisor Lopez)

Attachments: Ceremonial Resolution - Natividad Family Medicine Residency 50th Anniversary

14. Adopt a resolution Commending Commander Ray Tongol upon his retirement from twenty-six years of public service with the Monterey County Sheriff's Office. (Supervisor Lopez)

Attachments: Ceremonial Resolution - Commander Ray Tongol

15. Adopt a resolution Recognizing and Celebrating the 40th Anniversary of the Watsonville Cannery Strikes of 1985-1987, the Longest and Most Significant Cannery Strike in United States History. (Supervisor Alejo)

Attachments: Ceremonial Resolution - Celebrating the 40th Anniversary of the Watsonville Cannery Strikes

Appointments

16. Reappoint Scott Violini to the Agricultural Advisory Committee representing Monterey County Cattlemen's Association with a term end date of June 30, 2028 (Nominated by The Board of Directors for the Monterey County Cattlemen's Association)

Attachments: Notification to Clerk of Appt - Scott Violini
Application - Scott Violini

17. Appoint Estella Padilla to Equal Opportunity and Civil Rights Advisory Commission representing Service Employees International Union (SEIU) Local 521 Monterey County Chapter with a term expiration date on December 31, 2025. (Nominated by Olivia Martinez, Region 2 Director SEIU Local 521)

Attachments: Notification to Clerk of Appt - Estella Padilla
Resume - Estella Padilla
SEIU Appointment Letter - Estella Padilla

18. Appoint Stefanie Baughman to the Commission on Disabilities representing District 2 with a term end date of December 31, 2028 (District Specific - District 2, Supervisor Church)

Attachments: Notification to Clerk of Appt - Stefanie Baughman
Commission on Disabilities Application - Stefanie Baughman

19. Appoint Antonio F. Ramirez to the San Lucas Cemetery District as a Primary Representative with a term expiration date on September 17, 2029. (District Specific - District 3, Supervisor Lopez)

Attachments: Notification to Clerk of Appt - Antonio F. Ramirez
Resume - Antonio F. Ramirez
Letter of Intent - Antonio F. Ramirez

20. Appoint Larry Hartman to Workforce Development Board as a Business Representative with a term expiration date on December 7, 2027. (Nominated by Workforce Development Board)

Attachments: Notification to Clerk of Appt - Larry Hartman
Application - Larry Hartman

Special Presentation

21. a. Receive a verbal update and presentation from Friends of Laguna Seca regarding the required Business and Facility Master Plans as outlined in the Concession Agreement for the Operation and Management of the Laguna Seca Recreation Area and the agreed upon sound study, and;
b. Consider granting an extension to the Friends of Laguna Seca for completion of the Facility Master Plan.

Attachments: Board Report
Attachment A - Concession Agreement

Approval of Consent Calendar – (See Supplemental Sheet)

22. See Supplemental Sheet

General Public Comments

23. General Public Comments

This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Supervisors. Board members may respond briefly to the statement made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Board at a future meeting.

Scheduled Matters

24. a. Conduct a required public hearing to obtain residents' views and respond to proposals and questions received during the preceding 30-day public comment period regarding the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for Fiscal Year 24/25;
b. Receive and Accept the Consolidated Annual Performance and Evaluation Report for Fiscal Year 24/25;
c. Authorize the Director of Housing and Community Development or their designee to submit the CAPER to the United States Department of Housing and Urban Development;
d. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for Fiscal Year 24/25 for submittal to the United States Department of Housing and Urban Development; and,
e. Authorize the Director of Housing and Community Development or their designee to make minor changes to the Consolidated Annual Performance and Evaluation Report as needed or in response to comments from the United States Department of Housing and Urban Development.

Attachments: Board Report
Attachment A - Draft CAPER for FY2425

12:00 P.M. - Recess to Lunch

1:30 P.M. - Reconvene

Roll Call

Scheduled Matters

25. a. Receive a presentation from Department of Emergency Management and partners, concerning the MOSS 300 site clean-up at the Moss Landing Battery Energy Storage System facility; and
b. Provide direction to staff as appropriate

Attachments: Board Report

Other Board Matters

26. Receive a referral from the Legislative Committee requesting that the Board consider a position on Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment on the California special election ballot on November 4, 2025.

Attachments: Board Report
Exhibit A - LAO Report on Prop 50

Referral Matrix and New Referrals

27. Referral Matrix and New Referrals

Attachments: Board Referral Matrix 9-16-25
2025.11 (Church) - No Recreational Vehicle Parking on Railroad Avenue in Pajaro

County Administrative Officer Comments

28. County Administrative Officer Comments

Board Comments

29. Board Comments

Read Out from Closed Session by County Counsel

Read out by County Counsel will only occur if there is reportable action(s).

Adjournment

Upcoming Board of Supervisors Meetings for 2025

30. 2025 Board of Supervisors Meeting Schedule

Attachments: 2025 Board of Supervisors Meeting Dates

Supplemental Sheet, Consent Calendar

Natividad Medical Center

31. a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the date of signing by NMC. The contracts will have a minimum value of $25,000 and a maximum value of $6,023,368. The awarded contracts are as follows: NMC 2025-01 to Staples Construction, and NMC 2025-02 to Newton Construction and Management.
b. Approve the Performance and Payment Bonds provided by Staples Construction and Newton Construction and Management each in the amount of $2,500,000.
c. Authorize the Chief Executive Officer (CEO) of Natividad Medical Center to execute the Job Order Contracts for NMC 2025-01 with Staples Construction and for NMC 2025-02 with Newton Construction and Management.

Attachments: Board Report
Newton Construction and Management Agreement NMC 2025-02
Staples Construction Agreement NMC 2025-01

32. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 7 to the agreement (A-13074) with Forward Advantage Holdings, Inc. dba Forward Advantage for Imprivata OneSign single sign-on solution software services, extending the agreement an additional two (2) year period (March 23, 2025 through March 22, 2027) for a revised full agreement term of March 23, 2016 through March 22, 2027 and adding $115,606 for a revised total agreement amount not to exceed $924,242.

Attachments: Board Report
Forward Advantage Holdings Inc. dba Forward Advantage Renewal Amendment 7 (Imprivata)
Forward Advantage Holdings Inc. dba Forward Advantage Amendment 6 (Imprivata)
Forward Advantage Inc. Assignment and Assumption (Imprivata)
Forward Advantage Inc Amendment No. 5 (Imprivata)
Forward Advantage Inc Amendment No. 4 (Imprivata)
Forward Advantage Inc Renewal and Amendment No. 3 (Imprivata)
Forward Advantage Inc Amendment No. 2 (Imprivata)
Forward Advantage Inc Amendment No. 1 (Imprivata)
Forward Advantage Inc Agreement (Imprivata)

33. a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement each with Waltz Creative, LLC, The Buzz PR LLC, and Mag One Media, Inc., pursuant to the Request for Proposals (RFP) #9600-91 for marketing and graphic design services at

NMC, for an initial agreement term beginning September 16, 2025 through September 15, 2028, with the option to extend each agreement two (2) additional one-year periods, for a total aggregate not-to-exceed amount of $555,000 for all three contracts for the initial three-year term.
b. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute up to two (2) future amendments to each agreement, each amendment exercising a one year option to extend, for an additional aggregate not-to-exceed amount of $185,000 for all three contracts for Fiscal Year 2028-29 and for an additional aggregate not-to-exceed amount of $185,000 for all three contracts for Fiscal Year 2029-2030, provided that the total cost of the agreement over a five-year period does not exceed $925,000 and as long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

Attachments: Board Report
Agreement with Waltz Creative, LLC Awarded per RFP #9600-91
Agreement with The Buzz PR, LLC Awarded per RFP #9600-91
Agreement with Mag One Media, Inc. Awarded per RFP #9600-91

34. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 5 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement for an additional one (1) month period (August 1, 2025 through August 31, 2025) for a revised full agreement term of August 1, 2018 through August 31, 2025, and no change to the total aggregate amount not-to-exceed $1,850,000.

Attachments: Board Report
Waltz Creative LLC Renewal and Amendment No. 5
Waltz Creative LLC Amendment No. 4
Waltz Creative LLC Renewal and Amendment 3
Waltz Creative LLC Amendment No. 2
Schipper Design LLC Amendment No. 1
Schipper Design LLC Agreement, awarded per RFP #9600-79

35. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Health Management Associates, Inc. for consulting services pertaining to patient alignment, county ambulatory clinics and health plan member access, adding $300,000 for a revised total agreement amount not to exceed $500,000 with no change to the Agreement term of March 1, 2025 through February 28, 2027.

Attachments: Board Report
Health Management Associates Amendment No. 1 (vendor CC AC sig)
Health Management Associates Agreement

36. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-16333) with California Transplant Services dba SafetyGraft for tissue bank storage services, extending the agreement an additional three (3) year period (January 1,

2026 through December 31, 2028) for a revised full agreement term of January 1, 2023 through December 31, 2028, and adding $250,000 for a revised total agreement amount not to exceed $450,000.

Attachments: Board Report
CA Transplant Services Inc dba SafetyGraft Amendment No. 1
CA Transplant Services Inc dba SafetyGraft Agreement

Health Department

37. a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement for a term beginning on the date of execution of the Agreement to June 30, 2027 with Remi Vista, Inc., for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $295,260 for FY 2025-2026 and $295,260 for FY 2026-2027 for a total Agreement amount not to exceed $590,520; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($59,052) of the original Agreement amount, do not significantly change the scope of services and do not increase the total not to exceed amount over $649,572.

Attachments: Board Report
Agreement

38. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement with Michigan House, Inc. for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $62,476 for FY 2024-2025 and $418,776 for FY 2025-2026 for a total Agreement amount not to exceed $481,252 for a term beginning February 12, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($48,125) of the original Agreement amount, do not significantly change the scope of services, and do not increase the total not to exceed amount over $529,377.

Attachments: Board Report
Agreement

39. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and CF Merced Behavioral, LLC dba Merced Behavioral Center for the provision of mental health services to gravely disabled Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $2,483,865 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($248,386) of the original Agreement, do not significantly change

the scope of services, and do not increase the total not to exceed maximum amount over $2,732,251.

Attachments: Board Report
Agreement

40. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Telecare Corporation for the provision of skilled nursing services to Monterey County adults with primary diagnoses of organic brain syndrome, traumatic brain injury, medical debilitation, and severe mental illness, for a maximum County obligation of $544,404 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($54,440) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $598,844.

Attachments: Board Report
Agreement

41. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Inspire Behavioral Health, LLC for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $1,489,685 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard Commercial General Liability insurance provisions of claims-based coverage; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($148,968) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,638,653.

Attachments: Board Report
Agreement

42. Adopt an ordinance to amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems.

Proposed California Environmental Quality Act ("CEQA") Action: Find that the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment.

Attachments: Board Report
Attachment 1, Proposed Ordinance Redline Copy
Attachment 2, Proposed Ordinance Clean Copy

43. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of $2,365,565 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,602,121.

Attachments: Board Report
Agreement

44. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to Agreement No. A-17223 with Society for the Prevention of Cruelty to Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter clinics for domestic and feral cats of residents within Monterey County communities, and providing requested veterinary services to shelter animals, adding $200,000 for a new total Agreement amount of $242,000 and for the term of February 20, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments to this Agreement where the amendments do not exceed 10% ($4,200) of the original Agreement amount, do not significantly change the scope of work, and the total Agreement amount does not exceed $246,200.

Attachments: Board Report
Amendment No.1
Board Order
Agreement

45. a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Steel Patriot Partners, LLC for the provision of tailored outsourced compliance and cybersecurity implementation services to support, achieve, and maintain Health Insurance Portability and Accountability Act (HIPAA) governance and compliance goals, for a term of September 30, 2025 through September 29, 2026, for a total Agreement amount of $50,000; and
b. Approve and authorize the Director of Health Services or designee to execute a Business Associate Agreement (BAA) with Steel Patriot Partners, LLC; and
c. Approve and authorize the Director of Health Services or designee to approve up to three (3) future Amendments that do not exceed 10% ($5,000) of the original Agreement amount, do not significantly alter the scope of services, and do not exceed the maximum amount of $55,000; and
d. Approve and authorize the Contracts and Purchasing Officer or designee to execute future Amendments to the agreement where the Amendments do not significantly change the scope of work, do not exceed an aggregate amount of $200,000 and fall within the signing authority of the Contracts and Purchasing Officer.

Attachments: Board Report
Agreement

46. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and OCD Anxiety Centers, LLC for the provision of a virtual intensive outpatient program for a total amount not to exceed $15,050 for the term of January 13, 2025 through March 17, 2025; and
b. Accept non-standard risk provisions as recommended by the Director of Health Services.

Attachments: Board Report
Agreement

47. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Front St., Inc. for the provision of residential services to older adults with serious and persistent mental illness for a maximum County obligation of $1,689,634 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($168,963) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,858,597.

Attachments: Board Report
Agreement

Department of Social Services

48. Receive and accept the Fiscal Year 2023-24 Annual Report from First 5 Monterey County (a.k.a. Monterey County Children and Families Commission).

Attachments: Board Report
F5MC FY 2023-2024 Report to the Board of Supervisors in PowerPoint Presentation Form
F5MC FY 2023-2024 Community Annual Report

49. Adopt a resolution to:
a. Authorize the application for and acceptance of the Transitional Housing Program (THP) Allocation Award Round 7 in the amount of $436,317 and the Housing Navigation and Maintenance Program (HNMP) Round 4 in the amount of $68,349 to be expended as of two years from the "effective date" of the fully executed Standard Agreement, to help young adults who are 18 to 24 years of age secure and maintain housing, with priority given to former foster or probation youth; and
b. Affirm that if THP funds or HNMP funds remain available for allocation after the deadline for submitting a signed Allocation Acceptance Form, and if eligible, the County will authorize acceptance of this additional allocation of funds up to the amount authorized by the Department but not to exceed $872,634 and $136,698 respectively; and

c. Authorize the Director or designee of Department of Social Services, to act on behalf of the County in connection with the THP and HNMP allocation/awards and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to participate in the THP and HNMP programs; and
d. Agree that the County shall be subject to the terms and conditions that are specified in the THP Round 7 and HNMP Round 4 Allocation Award documents and will use the funds in accordance with the Allocation Acceptance Form, award documents, amendments, requirements, or other applicable laws; and
e. Affirm that the County is authorized to accept either of the allocations independent of each other.

Attachments: Board Report
Resolution
Acceptance Form

Criminal Justice

50. Authorize the County Administrative Officer or designee to execute a retroactive Memorandum of Agreement, effective October 1, 2023 and shall remain in full force and effect through the full appropriation of 2024 Justice Assistance Grant (JAG) funds and all related documentation on behalf of the County for the FY 2024 Local Solicitation award for the Edward Byrne Memorial Justice Assistance Grant (JAG), with the City of Salinas, subject to review and approval by County Counsel.

Attachments: Board Report
2024 JAG Award_Package.pdf
MOU- 2024 Jag Byrne Grant.pdf
City of Salinas Resolution.pdf

General Government

51. a. Approve the Radio Site Lease Agreement Template between Lessor and the County of Monterey (Lessee) for the rental of radio communication sites as requested by the County; and
b. Authorize the Chief Information Officer or his designee to execute the lease template, including minor alterations that do not substantially alter the lease terms, subject to the review and approval of the Office of the County Counsel-Risk Management.

Attachments: Board Report
Radio Communicatition Site Lease Agreement Template

52. Receive a memorandum from Economic Development staff detailing Economic Development Accomplishments for FY24-25.

Attachments: Board Report
Economic Development FY24-25 Memo

53. Receive final reports for FY2024-25 from the Development Set-Aside Agencies, the Arts Council for Monterey County (Arts4MC), the Monterey County Convention and Visitors Bureau (See Monterey), the Monterey County Film Commission (MCFC) and the Monterey County Business Council (MCBC).

Attachments: Board Report
Arts4MC Annual Report FY2024-25
See Monterey Annual Report FY2024-25
MCFC Annual Report FY2024-25
MCBC Annual Report FY2024-25

54. Adopt the Secured Roll Tax Rates calculated by the Office of the Auditor-Controller for Fiscal Year 2025-26.

Attachments: Board Report
FY 2025-26 Secured Roll Debt Service Tax Rates

55. a. Authorize the Chief Information Officer or his designee to execute Amendment No. 1 to the Standard Agreement with MagOne Media Incorporated for added video production services on an as-needed basis, with a term date of February 21, 2025 to February 20, 2028, adding $240,000 for a revised agreement total of $340,000; and
b. Authorize the Chief Information Officer or his designee, to execute order forms and such documents on an as-needed basis necessary to implement the Amendment No. 1 with MagOne Media Incorporated; and
c. Authorize the Chief Information Officer or his designee the option to extend the agreement up to three (3) additional one (1) year periods through February 20, 2031, and sign associated Order Forms, provided that the total additional costs do not exceed percent ten of the prior year's cost, with a maximum total increase of $412,645 for a total agreement not to exceed amount of $752,645 and as long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

Attachments: Board Report
MagOne Media Inc. Agreement
Amendment No. 1
Exhibit A

Public Works, Facilities and Parks

56. a. Authorize an additional contingency of 10% or $ 69,183 of the contract amount with Coastal Paving & Excavating, Inc., for the Viejo Road Emergency Storm Damage, Project No. 621095C, Federal Aid Project No: PA-09-CA-4308-PW-00651 to provide funding for approved contract change orders; and
b. Authorize the Director of Public Works, Facilities, and Parks (PWFP) to execute contract change orders where the overall total value of change orders does not exceed 20% or $ 138,366 of the

original contract amount of $ 691,831 and where the change orders do not significantly change the scope of work.

California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on October 8, 2021, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities.

Attachments: Board Report
Attachment A - Location Map
Attachment B – Project Budget.rev082725

57. a. Approve a Cost Sharing Agreement between the City of Carmel-by-the-Sea and the County of Monterey for the Pavement Rehabilitation of the portion of Ocean Avenue between just west of Cabrillo Highway, California State Route 1, also known as the Pacific Coast Highway and Carpenter Street, for a term effective the execution date of the Agreement anticipated to end fiscal year 26, for a total amount of $400,000; and
b. Authorize the Director of Public Works, Facilities and Parks to sign the Cost Sharing Agreement, including a County contribution of $400,000 for construction.
California Environmental Quality Act (CEQA) action: Categorically exempt per California Code of Regulations section 15301 Existing Facilities - (c) Existing highways and streets.

Attachments: Board Report
Attachment A - Proposed Agreement
Attachment B - Location Map

County of Monterey

Board Report

Legistar File Number: CS 25-041

Item No.1

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/28/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Closed Session

Closed Session under Government Code section 54950, relating to the following items:

a. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the County Counsel.

b. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:
(1) *Coppick, Donna v. County of Monterey, et al.* (Monterey County Superior Court Case No. 24CV004506)

c. Pursuant to Government Code section 54956.9(d)(2), the Board will confer with legal counsel regarding two matters of significant exposure to litigation.

d. Pursuant to Government Code section 54957.6, the Board will provide direction to negotiators:
(1) Designated representatives: Andreas Pyper, Kim Moore and Ariana Hurtado
Employee Organization(s): All Units

County of Monterey

Board Report

Legistar File Number: CR 25-129

Item No.2

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/22/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Establishing the Third Tuesday of September as National Voter Registration Day (Supervisor Lopez)

[State / County / Municipal Elections Office Logo]

County of Monterey, Board of Supervisors Resolution Establishing the Third

Tuesday of September as National Voter Registration Day

WHEREAS, the County of Monterey is committed to encouraging broad voter registration, access, and citizen participation in elections among voting-eligible citizens;

WHEREAS, the County of Monterey recognizes that many Americans are not able to vote because they miss a registration deadline, do not update their registration information, or are unfamiliar with how to register;

WHEREAS, the County of Monterey recognizes the challenges that many Americans' face in their everyday lives that may impede their abilities to register to vote;

WHEREAS, the County of Monterey recognizes the need for diverse partners such as nonprofits, libraries, businesses, colleges and universities, and more to work in the communities they serve to register citizens to vote; and

WHEREAS, the need for reliable and trusted public information and education on voter registration is critical to Americans' active participation in elections and the integrity of electoral processes;

THEREFORE, NOW BE IT RESOLVED THAT the County of Monterey shall declare the third Tuesday of every September as National Voter Registration Day and commits to joining national efforts to support voter registration and citizen participation in elections.

Adopted the 16th day September, 2025.

County of Monterey

Board Report

Legistar File Number: CR 25-142

Item No.3

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Recognizing September 15, 2025, through October 15, 2025, as Hispanic Heritage Month in Monterey County. (Supervisor Alejo)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt Resolution Recognizing September 15, 2025, through October 15, 2025, as **Hispanic Heritage Month in Monterey County**.

WHEREAS, In 1968, the United States Congress established the week of September 15 as National Hispanic Heritage Week under President Lyndon B. Johnson; and

WHEREAS, In 1987, Representative Esteban Torres of California introduced legislation to expand Hispanic Heritage Week into Hispanic Heritage Month; and

WHEREAS, In 1988, Congress enacted legislation under President Ronald Reagan to establish Hispanic Heritage Month as a national observance each year from September 15 through October 15; and

WHEREAS, These dates correspond with the independence anniversaries of several Latin American countries, Mexico, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Chile, further underscoring the deep historic and cultural ties celebrated during this month; and

WHEREAS, Hispanic Heritage Month is observed across the United States and in Monterey County with ceremonies, educational programs, cultural events, and activities organized by libraries, schools, corporations, government agencies, community groups, museums, and faith-based organizations; and

WHEREAS, Latinos make up 60.8 percent of Monterey County's population and embody a profound commitment to family, community, hard work, resilience and perseverance; and

WHEREAS, The Latino community contributes greatly to the success and vitality of Monterey County through leadership and service in agriculture, education, the arts, hospitality, construction, small business, government, public safety, health care, and the Armed Forces, among many other professions and industries; and

WHEREAS, Monterey County honors the culture, history, and traditions of its Latino residents, and recognizes the invaluable contributions Latinos have made, and continue to make, toward shaping the county's progress and prosperity; and

WHEREAS, Each year the County of Monterey takes this opportunity to recognize outstanding local leaders and organizations whose service has left a lasting impact on our communities, and in 2025 proudly honors **Señor Ines Marines** for his lifetime of advocacy in Pajaro and his tireless work on behalf of farmworkers' rights.

NOW, THEREFORE, BE IT RESOLVED that the County of Monterey Board of Supervisors, on behalf our county and all our residents thereof, does hereby proclaim September 15, 2025, through October 15, 2025, as **Hispanic Heritage Month in Monterey County**, encouraging all residents to join in celebrating the achievements, contributions, culture, and rich history of Latinos in our county and beyond.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:
AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-141

Item No.4

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Honoring Ines Marines for His Lifetime of Community Leadership in Pajaro and His Advocacy for Farmworker Rights. (Supervisor Alejo)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt Resolution Honoring **Ines Marines** for His Lifetime of Community Leadership in Pajaro and His Advocacy for Farmworker Rights.

WHEREAS, Ines Marines was born on September 17, 1931, in Seco Mines, Eagle Pass, Texas, and from an early age experienced firsthand the struggles and resilience of farmworker families, beginning work at the age of eight during World War II to help support his family by harvesting spinach and other crops; and

WHEREAS, As a young man, **Ines Marines** worked long hours in the fields under harsh conditions, often without benefits, unemployment protections, or fair wages, and despite leaving school early, he demonstrated a lifelong commitment to learning, self-improvement, and service to his community; and

WHEREAS, In 1961, **Ines Marines** moved with his family to California's Pajaro and Salinas Valleys, where he witnessed the systemic injustices faced by farmworkers, including intimidation, wrongful firings, and exploitative labor practices, and resolved to devote his efforts toward improving their working and living conditions; and

WHEREAS, In the 1970s, when Cesar Chavez and the United Farm Workers (UFW) came to the region to organize agricultural laborers, Ines became a respected leader and advocate, eventually serving as the UFW labor union's administrator of labor contracts, medical insurance plans, and worker benefits, while also assisting with social service needs for farmworker families. He served as Vice-President of the Watsonville United Farm Workers Organizing Committee in 1974; and

WHEREAS, Ines Marines declined opportunities to serve as a foreman, choosing instead to stand with farmworkers against exploitation, and devoted decades to supporting strikes, boycotts, and organizing efforts that secured groundbreaking protections under California's Agricultural Labor Relations (ALRB) Act; and

WHEREAS, In the mid-1990s, following his final years as a farmworker at Monterey Mushroom, **Ines Marines** transitioned into a new career with Head Start, where his ability to counsel and guide parents and children, honed through years of community organizing, proved invaluable. He provided transportation for workers from the farm buses to immigration or doctor appointments as a Head Start school bus driver as well as providing students rides to classes from Pajaro; and

WHEREAS, Beyond his professional roles, **Ines Marines** has always been a trusted source of advice, translation, and guidance for his neighbors, helping families navigate challenges from purchasing vehicles to participating in public meetings, assisting prepare IRS tax forms and encouraging civic engagement among parents, youth, and fellow residents; and

WHEREAS, Even in retirement, Ines continues to actively support community causes, assist local leaders, and inspire new generations to advocate for justice, fairness, and dignity for all, embodying the values of solidarity and service that have defined his life's work; and

WHEREAS, As part of the 2025 Latino Heritage Month, the Monterey County Board of Supervisors proudly celebrates **Ines Marines** as a shining example of Latino leadership, perseverance, and cultural pride, and preserving the rich heritage and contributions of Latino residents in Monterey County; and

NOW, THEREFORE, BE IT RESOLVED that the Monterey County Board of Supervisors, on behalf of the County and all residents, hereby honors and commends **Ines Marines** for his lifetime of leadership in Pajaro, his steadfast advocacy for farmworker rights, and his enduring contributions to the well-being and empowerment of his community. We express our profound gratitude for his decades of dedication, sacrifice, and moral courage, which have left an indelible mark on Monterey County's history and continue to inspire future generations.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:
AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-144

Item No.5

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Declaring Bracero Workers History Recognition Week Every Year in Monterey County During the Week of September 17th and Remembering the 62nd Anniversary of the Chualar Bracero Tragedy of 1963. (Supervisor Alejo)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt Resolution Declaring Bracero Workers History Recognition Week Every Year in Monterey County During the Week of September 17th and Remembering the 62nd Anniversary of the Chualar Bracero Tragedy of 1963.

WHEREAS, In 1942, through a series of diplomatic accords between Mexico and the United States, an executive order called the Mexican Farm Labor Program established the Bracero Program, a program which allowed millions of Mexican guest workers to legally work in the United States on short-term labor contracts, the Bracero Program addressed a national agricultural labor shortage during WWII. A separate Bracero railroad worker program was also established to build and maintain railroad lines throughout the United States; and

WHEREAS, On September 17, 1963, in Chualar, California, after a 10-hour shift harvesting celery and other crops, a crew of 57 Bracero farmworkers boarded a makeshift "bus" to return to Earl Meyers Company Labor Camp in Salinas, California where they lived; and

WHEREAS, The makeshift "bus" was nothing more than a flatbed produce truck, rigged with two long parallel wooden benches, an affixed aluminum cano py, and a chain tied on the outside of the back door which kept the farmworkers locked in the compartment; and

WHEREAS, On that day, between 4:20pm and 4:25pm, the makeshift "bus" approached an unmarked railroad crossing eight miles south of Salinas, and not seeing or hearing a train, the driver Francisco "Pancho" Espinosa inched the front wheels of the makeshift "bus" over the railroad tracks; and

WHEREAS, Suddenly, Espinosa heard the whistle of a train, he gunned the motor of the makeshift "bus" trying to quickly get across the tracks, but it was too late. A seventy-one-car Southern Pacific Railroad freight train, traveling at sixty-five miles an hour collided with the makeshift "bus", tragically killing 32 Bracero farmworkers; and

WHEREAS, The names of the 32 Braceros who tragically lost their lives on this day, included Salvador Olmedo Gallegos, Juan Nunez Valtierra, Antonio Llanes Gonzalez, Alberto Martinez Martinez, Agapito Villafuerte Torres, Victoriano Padilla Sanchez, Margarito Delgado Tinoco, Luis Orozco Contreras, Gonzalo Amador Huerta, Juan Diaz Duenas, Juan Segoviano Roza, Roberto Meza Huerta, Felipe Ramirez Melendrez, Ramon Torres Gutierrez, Jose Angel Olivarez, Jose Delgado Mendoza, Jesus Becerra Acevez, Salvador Cabrera Cholico, Pedro Segura Ramirez, Dolores Matansillas Flores, Silvino Munoz Escobedo, Ramon Navarro Flores, Manuel Maldonado Robles, Loreto Bojorquez Mungaray, Jose Gamez Martinez, Trinidad Mendez Vazquez, Herminio Huerta Tellez, Salomon Guzman Torres, Jesus Mercado Gallardo, Sixto Robles Urzua, Manuel de Jesus Coronado Lopez and Antonio Gomez Zamora, and hailed from the Mexican states of Jalisco, Guanajuato, Sonora, Zacatecas, Puebla and Michoacan, ranging in age from nineteen to fifty-nine; and

WHEREAS, The remaining 25 Bracero farmworkers were severely injured by splintered floor planks, jagged edges of twisted metal, shattered glass and long harvesting knives; and

WHEREAS, The California Highway Patrol, at the time, deemed the tragic incident as "the biggest single fatal vehicle accident in the history of California." Mexican American activists and civil rights organizations voiced their opposition to the Bracero Program, pointing out the many dangers and lack of safety measures Braceros were subjected to; backbreaking labor, low quality food, lack of water, inadequate rest breaks, and substandard housing that led Braceros to frequently suffer from respiratory illnesses, permanent spinal injuries, malnourishment, and the mental effects of isolation; and

WHEREAS, The renowned Mexican American labor organizer and professor Ernesto Galarza was appointed by Congress, though Committee on Education and Labor Chair Adam Clayton Powell Jr., to investigate the accident and his 72-page report was published on April 1964 and a book was later written, *Tragedy at Chualar*, in 1977; and

WHEREAS, The Chualar Bus crash was a determining factor in the decision by Congress to terminate the program in 1964. The Bracero Program had lasted for more than twenty years, granting a total of 4.8 to 5.2 million labor contracts in all regions of the United States; and

WHEREAS, In September 2013, a stretch of Highway 101 in the Salinas Valley was dedicated to honor the 32 Bracero farmworkers who died in the fatal crash 50 years earlier, the signs for the Bracero Highway in Chualar memorializes the victims and pays tribute to them; and

WHEREAS, September 17, 2025, marks the 62nd Anniversary of the Chualar Bus Crash that tragically killed 32 Bracero farmworkers and injured 25 additional workers; and

WHEREAS, Bracero workers from 1942 to 1964 contributed immensely to the nation's agricultural and railroad industries and to our nation's economy. Thousands of Braceros would eventually return to the Salinas Valley and establish their lives and families here. Today, thousands of Monterey County families have fathers and grandfathers who were original Braceros workers of that era, but their contributions had never been officially recognized by any level of government until the Monterey County Board of Supervisors took action in 2023.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors, on behalf of the County and all residents thereof, hereby declares once again Bracero Worker History Recognition Week every week of September 17th and remembers the 60th Anniversary of the Chualar Bracero Tragedy of 1963 where 32 Mexican workers tragically lost their lives and 25 injured workers survived.

BE IT FURTHER RESOLVED, that the Monterey County Board of Supervisors hereby encourages all our residents to learn about the significant contributions and legacy of Bracero workers to the agricultural industry in the Salinas Valley and throughout our nation, and we once again celebrate and honor our county's original Bracero workers who set the foundation for future generations of Latino families and leaders in Monterey County and beyond.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-153

Item No.6

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/9/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Honoring the Life and Legacy of Isidro Hernandez Tovar, the Last Surviving Bracero of Chualar. (Supervisor Alejo)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt Resolution Honoring the Life and Legacy of **Isidro Hernandez Tovar, the Last Surviving Bracero of Chualar.**

WHEREAS, Isidro Hernandez Tovar was born on May 15, 1944, in the town of Zapotlanejo, Jalisco, México, where he grew up in a community of limited economic opportunity but with a strong ambition to create a better future for himself and his family; and

WHEREAS, In 1963, at the age of 19, **Isidro Hernandez Tovar** was recruited into the Bracero Program, a guest worker program between Mexico and the United States from 1942 to 1964 that brought Mexican workers to support American agriculture and railroads, motivated by the promise of dignified work and inspired by returning Braceros who brought home symbols of opportunity, such as denim jeans, yellow boots, transistor radios, and stories of new possibilities; and

WHEREAS, Leaving his homeland behind, **Isidro Hernandez Tovar** traveled to the United States, where he worked in the Salinas Valley fields harvesting celery, lettuce, and garlic, and thinning crops with the infamous short-handled hoe known as El Cortito; and

WHEREAS, On September 17, 1963, while laboring in the celery fields of Chualar, California, **Isidro Hernandez Tovar** became a survivor of one of the deadliest labor-related, transportation tragedies in U.S. history, when a freight train collided with a makeshift bus carrying Bracero workers, killing 32 men and seriously injuring 25 others; and

WHEREAS, Isidro Hernandez Tovar was among the severely injured and spent more than a month in the hospital recovering, his survival and resilience standing as a testament to extraordinary strength during an incredibly painful chapter of his life; and

WHEREAS, After his recovery, **Isidro Hernandez Tovar** returned to Mexico for five years, before deciding in the early 1970s to resettle permanently in the United States, establishing his home in Los Angeles, California; and

WHEREAS, In 1974, **Isidro Hernandez Tovar** began his career with the Molding Corporation of America, where he dedicated more than 30 years of service until his retirement in 2006, embodying the dignity of hard work and perseverance; and

WHEREAS, Beyond his professional accomplishments, **Isidro Hernandez Tovar** built a strong and loving family with his wife of over fifty years, Carmelita Tovar, with whom he raised six children and created a legacy of resilience, dignity, and enduring love; and

WHEREAS, The life story of **Isidro Hernandez Tovar** reflects courage, endurance, and quiet heroism, serving as a living testament to the contributions and sacrifices of Bracero workers and immigrant laborers who helped shape the history and prosperity of the United States; and

WHEREAS, In 2023, the Monterey County Board of Supervisors declared Bracero Worker History Recognition Week every week of September 16th to remember the Chualar Bracero Tragedy of 1963, and this year, chose **Isidro Hernandez Tovar** to honor as part of this year's commemoration as he is the last surviving Bracero of the Chualar Bracero Tragedy.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors, on behalf of the County and all residents thereof, hereby honors and recognizes the life of **Isidro Hernandez Tovar**, and commends his resilience, perseverance, and devotion to family, and expresses its deepest gratitude for his lasting contributions as a Bracero worker and immigrant laborer whose story embodies the strength and spirit of the Latino community. We also honor and celebrate Isidro Hernandez Tovar as the last surviving Bracero of the Chualar Bracero Tragedy.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:
AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-145

Item No.7

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Honoring Suicide Prevention Service - A Program of Family Service Agency of the Central Coast during Suicide Awareness Month and recognizing the importance of the 988 Suicide & Crisis Lifeline. (Supervisor Root Askew)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution honoring **Suicide Prevention Service – A Program of Family Service Agency of the Central Coast** during **Suicide Awareness Month** and recognizing the importance of the **988 Suicide & Crisis Lifeline**.

WHEREAS, September is recognized nationally as **Suicide Prevention Awareness Month**, a time dedicated to raising awareness about suicide prevention, reducing stigma surrounding mental health, and reminding all people that help, hope, and healing are possible; and

WHEREAS, Suicide Prevention Service recognizes that suicide is a leading cause of death in the United States, impacting individuals, families, and communities, and prevention requires the collective effort of health care providers, educators, advocates, and neighbors working together; and

WHEREAS, Suicide Prevention Service has provided vital resources, compassionate care, crisis intervention, and educational outreach for decades, saving lives and offering a lifeline to individuals and families in need; and

WHEREAS, the launch of the **988 Suicide & Crisis Lifeline** has created an easy-to-remember, three-digit number for anyone experiencing a mental health crisis, substance use crisis, or emotional distress to receive immediate and confidential support; and

WHEREAS, Suicide Prevention Service plays a critical role in answering 988 calls locally, connecting people to trained counselors, resources, and follow-up support, ensuring that Monterey County residents can access life-saving services when they need them most; and

WHEREAS, the County of Monterey recognizes that promoting the **988 Suicide & Crisis Lifeline**, alongside the efforts of **Suicide Prevention Service** is essential in building awareness, saving lives, and fostering a healthier, more resilient community.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents thereof, hereby honors **Suicide Prevention Service – A Program of Family Service Agency of the Central Coast** during **Suicide Prevention Awareness Month** for their steadfast dedication to saving lives, supporting survivors, and strengthening mental health resources for our community.

BE IT FURTHER RESOLVED, that the County of Monterey Board of Supervisors urges all residents to remember and share the **988 Suicide & Crisis Lifeline** as a vital resource, and to join in collective efforts to end stigma, encourage open conversations, and support individuals and families impacted by suicide.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-139

Item No.8

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution in Recognition of Breakthrough Men's Community and their commitment to empowering men and transforming communities. (Supervisor Root Askew)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution in recognition of **Breakthrough Men's Community** and their commitment to empowering men and transforming communities.

WHEREAS, Breakthrough Men's Community was founded with the mission of empowering men to break cycles of violence, shame, and isolation by fostering accountability, emotional healing, and positive transformation; and

WHEREAS, through education, mentorship, and peer support, **Breakthrough Men's Community** provides a safe and structured environment where participants can confront challenges, develop healthy coping skills, and cultivate respect for themselves, their families, and their communities; and

WHEREAS, Breakthrough Men's Community has helped countless men in the Monterey County and beyond to break free from destructive behaviors, repair relationships, and contribute positively as fathers, partners, employees, and leaders; and

WHEREAS, Breakthrough Men's Community strengthens the broader community by promoting compassion, responsibility, and nonviolence, aligning with the County of Monterey strategic goals of Well-Being and Quality of Life and Safe and Resilient Communities; and

WHEREAS, the success of **Breakthrough Men's Community** has been made possible by the dedication of its facilitators, alumni, volunteers, and community partners who remain committed to creating lasting change for individuals and society as a whole.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents thereof, hereby recognizes and commends **Breakthrough Men's Community** for their unwavering commitment to empowering men, strengthening families, and transforming communities through healing, compassion, accountability, and hope.

BE IT FURTHER RESOLVED, that the County of Monterey Board of Supervisors celebrates the positive impact of **Breakthrough Men's Community** in improving public safety, supporting behavioral health, and fostering dignity and respect for all.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-140

Item No.9

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Honoring El Grito de Independencia and recognizing El Grito Salinas, organized by Tradición Por Siempre, in celebration of Hispanic Heritage Month. (Supervisor Root Askew)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:

Adopt a resolution honoring **El Grito de Independencia** and recognizing **El Grito Salinas**, organized by **Tradición Por Siempre**, in celebration of Hispanic Heritage Month.

WHEREAS, El Grito de Independencia (The Cry of Independence), first declared on September 16, 1810, by Father Miguel Hidalgo y Costilla, marked the beginning of Mexico's fight for independence from Spanish rule, and has since become a historic symbol of freedom, resilience, and unity; and

WHEREAS, El Grito is honored each year by millions across Mexico and throughout the world, serving as a reminder of the enduring pursuit of justice, self-determination, and cultural pride; and

WHEREAS, El Grito Salinas has become one of the region's most vibrant celebrations of this tradition, drawing together families, students, and community members to honor cultural heritage, uplift voices, and celebrate the spirit of unity; and

WHEREAS, Hispanic Heritage Month is observed each year from September 15 to October 15, recognizing the histories, cultures, and contributions of Americans whose ancestors came from Spain, Mexico, the Caribbean, and Central and South America; and

WHEREAS, the observance of **Hispanic Heritage Month** begins on September 15, the anniversary of independence for the Latin American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, followed by the independence days of Mexico on September 16 and Chile on September 18; and

WHEREAS, El Grito Salinas serves as a cornerstone of community pride, highlighting Hispanic and Latino contributions to the Salinas Valley and Monterey County through music, dance, food, and civic engagement; and

WHEREAS, Hispanic Heritage Month provides an opportunity for all residents to celebrate diversity, foster greater understanding, and recommit to equity and inclusion as core values of our community.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents, thereof, hereby honors **El Grito Salinas** during **Hispanic Heritage Month** and extends its deep appreciation to the Hispanic and Latino communities for their enduring contributions to the strength, prosperity, and cultural richness of the County of Monterey and the broader United States of America.

BE IT FURTHER RESOLVED, that the Board of Supervisors commends **Tradición Por Siempre,** its volunteers, partners, and sponsors for their leadership and service in organizing **El Grito Salinas;** and

BE IT FURTHER RESOLVED, that the County of Monterey Board of Supervisors encourages all residents to participate in celebrations, educational activities, and cultural events throughout **Hispanic Heritage Month** as a way of honoring this vital part of our shared heritage.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-136

Item No.10

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Celebrating the International Day of Democracy and recognizing the Associated Student Governments of California State University Monterey Bay. (Supervisor Root Askew)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt a resolution celebrating the **International Day of Democracy** and recognizing the **Associated Students of California State University, Monterey Bay.**

WHEREAS, the United Nations established September 15 as the I**nternational Day of Democracy** to promote and uphold the principles of freedom, participation, equality, and accountability that form the foundation of democratic societies around the world; and

WHEREAS, democracy is strengthened through civic participation, the free exchange of ideas, and the engagement of all people in shaping their communities and their future; and

WHEREAS, students at **California State University, Monterey Bay** exemplify democratic values through their leadership in **Associated Students**, ensuring that student voices are heard in matters of governance, academic policy, and campus life; and

WHEREAS, the **Associated Students of California State University, Monterey Bay** foster civic responsibility, advocate for the diverse needs of their peers, and prepare the next generation of leaders to be engaged, informed participants in local, state, national, and global democracy; and

WHEREAS, the County of Monterey is proud to join in celebrating the **International Day of Democracy** alongside student leaders, recognizing their vital role in advancing equity, inclusion, and representation within higher education and the broader community.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents thereof, hereby celebrates the **International Day of Democracy** and commends the **Associated Students of California State University, Monterey Bay** for their active role in California State University, Monterey Bay and local governance regarding advocacy and equality, while simuilataneously serving, empowering, and accurately representing their student body in all areas of concern.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:
AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.
Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California
By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-137

Item No.11

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Celebrating the International Day of Democracy and recognizing the Associated Student Governments of Monterey Peninsula College. (Supervisor Root Askew)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution celebrating the **International Day of Democracy** and recognizing the **Associated Student Governments of Monterey Peninsula College**.

WHEREAS, the United Nations established September 15 as the **International Day of Democracy** to promote and uphold the principles of freedom, participation, equality, and accountability that form the foundation of democratic societies around the world; and

WHEREAS, democracy is strengthened through civic participation, the free exchange of ideas, and the engagement of all people in shaping their communities and their future; and

WHEREAS, students at **Monterey Peninsula College** exemplify democratic values through their leadership in **Associated Student Governments**, ensuring that student voices are heard in matters of governance, academic policy, and campus life; and

WHEREAS, the **Associated Student Governments of Monterey Peninsula College** foster civic responsibility, advocate for the diverse needs of their peers, and prepare the next generation of leaders to be engaged, informed participants in local, state, national, and global democracy; and

WHEREAS, the County of Monterey is proud to join in celebrating the **International Day of Democracy** alongside student leaders, recognizing their vital role in advancing equity, inclusion, and representation within higher education and the broader community.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents thereof, hereby celebrates the **International Day of Democracy** and commends the **Associated Student Governments of Monterey Peninsula College** for their leadership, dedication, and commitment to strengthening democracy through active student engagement.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-138

Item No.12

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Celebrating the International Day of Democracy and recognizing the Associated Student Governments of Hartnell College. (Supervisor Root Askew)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution celebrating the **International Day of Democracy** and recognizing the **Associated Student Governments of Hartnell College.**

WHEREAS, the United Nations established September 15 as the **International Day of Democracy** to promote and uphold the principles of freedom, participation, equality, and accountability that form the foundation of democratic societies around the world; and

WHEREAS, democracy is strengthened through civic participation, the free exchange of ideas, and the engagement of all people in shaping their communities and their future; and

WHEREAS, students at **Hartnell College** exemplify democratic values through their leadership in **Associated Student Governments**, ensuring that student voices are heard in matters of governance, academic policy, and campus life; and

WHEREAS, the **Associated Student Governments of Hartnell College** foster civic responsibility, advocate for the diverse needs of their peers, and prepare the next generation of leaders to be engaged, informed participants in local, state, national, and global democracy; and

WHEREAS, the County of Monterey is proud to join in celebrating the **International Day of Democracy** alongside student leaders, recognizing their vital role in advancing equity, inclusion, and representation within higher education and the broader community.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents thereof, hereby celebrates the **International Day of Democracy** and commends the **Associated Student Governments of Hartnell College**for their leadership, dedication, and commitment to strengthening democracy through active student engagement.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-130

Item No.13

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/22/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Recognizing the 50th Anniversary of the Natividad Family Medicine Residency. (Supervisor Lopez)

PROCLAMATION
Recognizing the 50th Anniversary of the Natividad Family Medicine Residency

WHEREAS, the **Natividad Family Medicine Residency** addresses the critical shortage of primary care physicians, a challenge felt acutely in California and Monterey County, where access to high-quality, culturally competent medical care is essential for the health and well-being of all residents; and

WHEREAS, the **Natividad Family Medicine Residency** was established in 1975 at Monterey County's public safety-net hospital to address this urgent need, training physicians committed to serving diverse, often underserved, communities; and

WHEREAS, 2025 marks the 50th Anniversary of the **Natividad Family Medicine Residency**, which has graduated three hundred fifty eight physicians over its history, providing a vital pipeline of dedicated medical professionals; and

WHEREAS, one in three graduates of the **Natividad Family Medicine Residency** choose to remain in Monterey County to practice, strengthening the local health care workforce and expanding access to care for our community; and

WHEREAS, more than fifty percent of graduates of the **Natividad Family Medicine Residency** over the past five years are providing primary care in safety-net clinics, serving patients in underserved areas who might otherwise go without timely or consistent medical attention; and

WHEREAS, one in five graduates of the **Natividad Family Medicine Residency** are providing inpatient medical care in hospitals serving underserved communities, ensuring that even the most vulnerable patients have access to high-quality, compassionate care; and

WHEREAS, the **Natividad Family Medicine Residency** continues to embody the highest values of service, excellence, and equity, preparing physicians who care for the whole person and who remain deeply committed to the communities they serve;

NOW, THEREFORE, be it resolved that the Monterey County Board of Supervisors does hereby recognize and honor the **Natividad Family Medicine Residency** on the occasion of its 50th Anniversary, and commend its graduates, faculty, and staff for their extraordinary contributions to the health and well-being of Monterey County and beyond.

County of Monterey

Board Report

Legistar File Number: CR 25-131

Item No.14

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/22/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Commending Commander Ray Tongol upon his retirement from twenty-six years of public service with the Monterey County Sheriff's Office. (Supervisor Lopez)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt Resolution commending **Commander Ray Tongol**
upon his retirement from twenty-six years of public service
with the Monterey County Sheriff's Office

WHEREAS, Ray Tongol has faithfully served the Monterey County Sheriff's Office and its residents for 26 years with unwavering commitment, professionalism, and integrity; and

WHEREAS, Ray Tongol began his career as a Deputy Sheriff in the Corrections Operations Bureau before transferring to the Enforcement Operations Bureau as a patrol deputy. He later became a Field Training Officer, mentoring and shaping the careers of countless new deputies by instilling in them core values, tactical skills, and the professionalism required to serve with excellence; and

WHEREAS, Ray Tongol served on the Search and Rescue Team and contributed to regional anti-crime initiatives as part of the Monterey County Joint Gang Task Force and FBI Safe Streets Task Force, where he worked diligently to combat gang violence and enhance community safety; and

WHEREAS, Ray Tongol has earned numerous honors—including the Medal of Valor, Peace Officer of the Year from the Monterey County Peace Officers Association and the Monterey County Sheriff's Office, the Life Saving Award from the Watsonville Police Department, and recognition from the California State Senate and Assembly; and

WHEREAS, Ray Tongol was promoted to Sergeant and later Commander in the Corrections Operations Bureau, overseeing Jail Operations, the Classification Unit, Court Services, and the Transportation Unit. He led the jail expansion team and worked closely with federal monitors to promote the health and safety of both incarcerated individuals and staff; and

WHEREAS, in the Enforcement Operations Bureau, **Ray Tongol** served as Station Commander and later led the Community Services Division, managing specialized units and major events such as the AT&T Pro-Am, the U.S. Women's Open at Pebble Beach, Car Week, various racing events, and the Sea Otter Classic at Laguna Seca, as well as emergency responses to the Dolan Fire in Big Sur and the Vistra Fire in Moss Landing; and

WHEREAS, Ray Tongol later headed the Professional Standards and Training Division in the Administration Operations Bureau, managing Internal Affairs, revising departmental procedures and policies, overseeing recruitment and training, and ensuring POST and STC compliance; and

WHEREAS, Ray Tongol demonstrated exceptional commitment to professional development by graduating from the prestigious FBI National Academy, Session 289, further enhancing his leadership, operational expertise, and interagency collaboration on a national level; and

WHEREAS, Ray Tongol has exemplified the highest traditions of law enforcement, earning widespread admiration from colleagues, partner agencies, and the community.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Monterey, on behalf of all residents thereof, acknowledges, commends, and thanks **Commander Ray Tongol** for his twenty-six years of exemplary public service to the residents of Monterey County as a valued member of the Monterey County Sheriff's Office.

BE IT FURTHER RESOLVED that the Board of Supervisors wishes him success, health, and happiness, and a fulfilling, healthy, and rewarding retirement alongside his wife Jeraldine, his daughters Ashley, Alicia, and Allison, and his many family members and friends.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:

AYES:
NOES:
ABSENT:

I, Valeria Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.
Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-143

Item No.15

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Recognizing and Celebrating the 40th Anniversary of the Watsonville Cannery Strikes of 1985-1987, the Longest and Most Significant Cannery Strike in United States History. (Supervisor Alejo)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt Resolution Recognizing and Celebrating the **40th Anniversary of the Watsonville Cannery Strikes of 1985-1987**, the Longest and Most Significant Cannery Strike in United States History

WHEREAS, Beginning on September 9, 1985, in the "Frozen Food Capital of the World," more than 1,750 workers, primarily Mexican women at Watsonville Canning and later Richard A. Shaw, Inc., and members of Teamsters Local 912, walked out in protest after their employers demanded drastic cuts to wages, pensions, healthcare, and seniority rights, including an outrageous forty percent reduction in pay, the elimination of union dues check-off, and severe cuts to health benefits. Watsonville Canning owner Mort Console secured an $18 million loan from Wells Fargo to sustain the company during the strike; and

WHEREAS, In October 1985, the strikers overwhelmingly rejected a $5.05 per hour offer by a vote of 800-1, established a Strikers' Committee to represent their interests, and drew more than 3,000 people to a support rally on October 6, 1985; and

WHEREAS, Despite facing 18 months of extreme hardship, including evictions, financial distress, and immense pressure from powerful interests, the strikers never broke their solidarity, forming rank-and-file leadership and sustaining their movement against overwhelming odds; and

WHEREAS, The Watsonville Cannery Strikes became a rallying cry for the national labor movement, the Latino community, and working-class families across the country, drawing widespread attention and support, including a mass rally with Reverend Jesse Jackson on June 29, 1986, that brought 4,000 supporters to Watsonville; and

WHEREAS, The resolute strikers demonstrated extraordinary courage, resilience, and perseverance, but their solidarity came at a tremendous cost, as dozens of families faced eviction and many others lost their homes. The strikers even urged the Watsonville City Council to adopt a moratorium on evictions but were unjustly denied; and

WHEREAS, In September 1986, Mort Console temporarily shut down operations, sustained by another Wells Fargo loan, and the plant closed again in December amid rumors of a sale. In January 1987, workers and supporters launched protests and pickets at Wells Fargo branches for its role in financing the strike; and

WHEREAS, After enduring plant shutdowns, legal challenges, and financial sabotage, the strikers achieved a historic victory in February 1987 when new ownership recognized their union, restored union protections, reinstated workers to their jobs with full seniority, secured wage parity with the industry standard, granted amnesty to returning strikers, and maintained critical health benefits; and

WHEREAS, On March 6, 1987, the strikers delayed ratification of the proposed contract and launched a hunger strike to demand stronger protections; and

WHEREAS, The strike officially ended on March 11, 1987, when the workers ratified a new contract by a resounding 543-21 vote, forever cementing their struggle as a defining moment in the fight for economic and social justice in California and the United States; and

WHEREAS, The Watsonville Cannery Strikes remain a testament to the unbreakable spirit of a working-class Latino community that stood firmly against injustice, never backed down in the face of adversity, and today symbolize the resilience and strength of the people of Watsonville and the Pajaro Valley.

NOW, THEREFORE, BE IT RESOLVED, that the County of Monterey Board of Supervisors, on behalf of our county and all our residents thereof, proudly commemorates the **40th Anniversary of the Watsonville Cannery Strikes of 1985-1987**, expresses its deepest gratitude to all the strikers and their families. We honor their courage, sacrifices, and lasting contributions to the cause of labor and civil rights, social justice and the demand for a better future for the next generations of Watsonville and Pajaro Valley families.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:
AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors

County of Monterey, State of California.

By_____

Deputy

County of Monterey

Board Report

Legistar File Number: APP 25-128

Item No.16

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/18/2025
Version: 1

Current Status: Appointment
Matter Type: Appointment

Reappoint Scott Violini to the Agricultural Advisory Committee representing Monterey County Cattlemen's Association with a term end date of June 30, 2028 (Nominated by The Board of Directors for the Monterey County Cattlemen's Association)

County of Monterey
Valerie Ralph
CLERK OF THE BOARD
BOARD OF SUPERVISORS

168 W. Alisal Street 1st Floor
Salinas, CA 93901
O: (831) 755-5066 Option 6
F: (831) 755-5888
cob@countyofmonterey.gov

To: Clerk of the Board's Office

From: The Agricultural Commissioner's Office

RE: Notification to Clerk of Appointment

Board of Supervisors Meeting Date:

Appointment to the Agricultural Advisory Committee

Nominated Appointee: Scott Violini

Nominated by: The Board of Directors for the Monterey C

Representing: Monterey County Cattlemen's Association

Reason for Nomination:

- ○ New Term
- ◉ Reappointment
- ○ Filling an Unscheduled / Unexpired Term

Term:

Start Date: Term End Date:

County of Monterey
Valerie Ralph
CLERK OF THE BOARD
BOARD OF SUPERVISORS

168 W. Alisal Street 1st Floor
Salinas, CA 93901
O: (831) 755-5066 Option 6
F: (831) 755-5888
cob@countyofmonterey.gov

Agricultural Advisory Committee Application

Scott Violini

District: 5
Initialed Application: Yes

Applicant

First Name: **Scott**
Middle Initial:
Last Name: **Violini**

Employment

Occupation: **Beef Cattle production**
Job Title: **manager**
Employer: **Violini Brothers**

Interests and Experiences

Able to attend meetings regularly and devote the time necessary to fulfill duties as a member?

Yes

Currently serving on a County of Monterey Board, Commission, Committee or other Community Advisory Group?

Yes

Agricultural Advisory Committee

Has served on an advisory group before?

Yes

currently serving on Ag Advisory committee

Please tell us about yourself and why you want serve:

I am a 4th generation Monterey County resident, responsible for all aspects of land management and animal husbandry practices with regards to beef cattle production. My family operation is located in the Mt Toro and Hlway 68/ River Road corridor. I wish to continue to serve on the Ag advisory committee because the issues that come before the committee are important to preserve Agriculture and it land uses. The recommendations and advise given to the planning department thru indepth discussions at our committee meetings will only ensure that Agricultural lands remain productive and viable for the next generations to come.

Please state the reason you would like to be a member of this board committee/commission/district:

I wish to remain on the committee because of my background in livestock grazing, land and habitat management. I feel I bring a unique perspective to the open spaces and oak woodland areas that remain and have yet to be developed by other forms of Ag or commerce. I have chaired the Ad hoc subcommittee on issues regarding: Solar facility requirements, the Ag land mitigation measures, wine corridor conversations and cannabis regulations. I am currently on my 2nd term of Chairman of the Ag Advisory committee. to be a participant in the discussion to advise County Planning on Ag issues will keep Ag in Ag

How did you hear about the position?:

County of Monterey

Board Report

Legistar File Number: APP 25-129

Item No.17

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/21/2025
Version: 1

Current Status: Appointment
Matter Type: Appointment

Appoint Estella Padilla to Equal Opportunity and Civil Rights Advisory Commission representing Service Employees International Union (SEIU) Local 521 Monterey County Chapter with a term expiration date on December 31, 2025. (Nominated by Olivia Martinez, Region 2 Director SEIU Local 521)

COUNTY OF MONTEREY

CLERK OF THE BOARD OF SUPERVISORS

To: Clerk of the Board's Office

From: Ruby Jacinto, Civil Rights Office

RE: Notification to Clerk of Appointment

Board of Supervisors' Meeting Date: September 16, 2025

Appointment to the **Equal Opportunity and Civil Rights Advisory Commission**

Nominated by **Olivia Martinez, Region 2 Director SEIU Local 521**

Representing **SEIU Local 521 Monterey County Chapter**

Nominated Appointee:

Name: **Estella Padilla**

Address: [redacted]

Telephone number(s):
Primary Phone: [redacted]

Email: [redacted]

Contact preference: ☐ USPS Mail or via Email ☒

Reason for Nomination:

☒ New Appointment

Replacing Member:

☐ Reappointment

☐ Filling an Unscheduled/Unexpired Term

Replacing Member:

Reason: ☐ Resignation ☐ Death ☐ Term not completed ☐ Other (explain)

Clerk noticed of Unscheduled/Unexpired Term on:

Earliest Board of Supervisors' meeting date appointment can be set is:

Term:

Start Date: 9/16/25 Expiration Date: 12/31/27

ESTELLA PADILLA

[redacted]

OBJECTIVE

To serve on the Equal Opportunity and Civil Rights Advisory Commission.

EXPERIENCE

Respiratory Care Practitioner- 2011- Present
Natividad Medical Center – Salinas, CA

SEIU Local 521 Bargaining team – 3 Contracts
Salinas, CA
CPR Instructor - 2018-Present

Clinical Instructor for Respiratory Care Program – 2019-Present

Hartnell College – Salinas

EDUCATION

BRYMAN COLLEGE

San Jose California
Respiratory Care Program

COMMUNICATION

I am Bilingual in Spanish and English

LEADERSHIP

I worked with SIEU to change our county title from Cardiopulmonary Technician to Respiratory Care Practioner

REFERENCES

Joe Loredo
Respiratory Supervisor [redacted]

LOCAL 521 SEIU Stronger Together

SERVICE EMPLOYEES INTERNATIONAL UNION CTW-CLC

SAN JOSE H.Q.
2302 Zanker Road
San Jose, CA 95131
Phone: 408-678-3300
Fax: 408-954-1538

BAKERSFIELD
1001 17th Street
Bakersfield, CA 93301
Phone: 661-321-4160
Fax: 661-325-7814

FRESNO
5228 E. Pine Avenue
Fresno, CA 93727
Phone: 559-447-2560
Fax: 559-261-9308

HANFORD
101 N. Irwin St., Suite 203
Hanford, CA 93230
Phone: 559-587-1521
Fax: 559-733-5006

REDWOOD CITY
This location has been closed. Please mail correspondence to our San Jose Headquarters
Phone Calls / Facsimiles received at our San Jose Headquarters:
Phone: 650-801-3500
Fax: 650-595-1930

SALINAS
334 Monterey Street
Salinas, CA 93901
Phone: 831-784-2560
Fax: 831-784-2902

SANTA CRUZ
517B Mission Street
Santa Cruz, CA 95060
Phone: 831-824-9255
Fax: 831-401-2584

VISALIA
1811 W. Sunnyside Avenue
Visalia, CA 93277
Phone: 559-635-3720
Fax: 559-733-5006

www.seiu521.org

June 18, 2025

Sent via email: RodriguezJP1@countyofmonterey.gov

Juan P. Rodriguez
Civil Rights Officer
Civil Rights Office, County of Monterey
1441 Schilling Place, North Building
Salinas, CA 93901

Dear Mr. Rodriguez:

This letter is to inform you that SEIU Local 521 Monterey County Chapter has appointed Carolynne Roderick and Estella Padilla-Jimenez to the Equal Opportunity and Civil Rights Advisory Commission.

If you have any questions, please contact Olivia Martinez at Olivia.Martinez@seiu521.org.

Sincerely,

Olivia Martinez
Region 2 Director
SEIU Local 521

OM:sjw

opeiu29afl-cio©2025 SEIU521/CTW-CLC

County of Monterey

Board Report

Legistar File Number: APP 25-132

Item No.18

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Appointment
Matter Type: Appointment

Appoint Stefanie Baughman to the Commission on Disabilities representing District 2 with a term end date of December 31, 2028 (District Specific - District 2, Supervisor Church)

County of Monterey
Valerie Ralph
CLERK OF THE BOARD
BOARD OF SUPERVISORS

168 W. Alisal Street 1st Floor
Salinas, CA 93901
O: (831) 755-5066 Option 6
F: (831) 755-5888
cob@countyofmonterey.gov

To: Clerk of the Board's Office

From: Marilyn Vierra

RE: Notification to Clerk of Appointment

Board of Supervisors Meeting Date: 09/16/2025

Appointment to the Commission on Disabilities

Nominated Appointee: Stefanie Baughman

Nominated by: Supervisor Glenn Church

Representing: District 2

Reason for Nomination:

- (•) New Term
  Replacing Member: N/A
- ( ) Reappointment
- ( ) Filling an Unscheduled / Unexpired Term

Term:

Start Date: 09/16/2025 Term End Date: 12/31/2028

County of Monterey
Valerie Ralph
CLERK OF THE BOARD
BOARD OF SUPERVISORS

168 W. Alisal Street 1st Floor
Salinas, CA 93901
O: (831) 755-5066 Option 6
F: (831) 755-5888
cob@countyofmonterey.gov

Commission on Disabilities Application

Stefanie Baughman

District: 2
Initialed Application: Yes

Applicant

First Name: **Stefanie**
Middle Initial:
Last Name: **Baughman**

Employment

Occupation:
Job Title: **Sales coordinator**
Employer: **Naturipe Farms**

Interests and Experiences

Able to attend meetings regularly and devote the time necessary to fulfill duties as a member?

Yes

Currently serving on a County of Monterey Board, Commission, Committee or other Community Advisory Group?

No

Has served on an advisory group before?

No

Please tell us about yourself and why you want serve:

My son is non verval autistic and I would like to improve the quality of life for all in our county.

Please state the reason you would like to be a member of this board committee/commission/district:

There are so many gaps that we could fill to help improve the quality of life for people living with disabilities in our county.

How did you hear about the position?:

Faceboom

County of Monterey

Board Report

Legistar File Number: APP 25-131

Item No.19

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/5/2025
Version: 1

Current Status: Appointment
Matter Type: Appointment

Appoint Antonio F. Ramirez to the San Lucas Cemetery District as a Primary Representative with a term expiration date on September 17, 2029. (District Specific - District 3, Supervisor Lopez)

COUNTY OF MONTEREY

CLERK OF THE BOARD OF SUPERVISORS

To: Clerk of the Board's Office

From: Karina Pelayo, Supervisor Chris Lopez' Office

RE: Notification to Clerk of Appointment

Board of Supervisors' Meeting Date: Tuesday, September 16, 2025

Appointment to the San Lucas Cemetery District

Nominated by **Supervisor Chris Lopez**

Representing Primary

Nominated Appointee:

Name: **Antonio F. Ramirez**

Address: [redacted]

Telephone number(s): [redacted]
Primary Phone:

Email: [redacted]

Contact preference: ☐ USPS Mail or via Email ☒

Reason for Nomination:

☒ New Appointment

Replacing Member: **Sheri Braden**

☐ Reappointment

☐ Filling an Unscheduled/Unexpired Term

Replacing Member:

Reason: ☐ Resignation ☐ Death ☐ Term not completed ☐ Other (explain)

Clerk noticed of Unscheduled/Unexpired Term on:

Earliest Board of Supervisors' meeting date appointment can be set is:

Term:

Start Date: **9/16/2025** Expiration Date: **9/17/2029**

ANTONIO F. RAMIREZ

[redacted]

SKILLS

- Managing Inventory
- Time Management
- Experienced with Word, Excel, and PowerPoint.
- Composed and sent emails using Microsoft Outlook and Google Gmail.
- Acknowledges people's strengths and accomplishments
- Report Writing and minute-taking
- Manage Budgets

EXPERIENCE

San Lucas County Water District— Secretary **May 2023 - Present**

- Took customer payments and handled billing
- Answered phones and took messages
- Scheduled meetings and wrote meeting notes
- Organized files and paperwork
- Managed invoices for the district
- Assisted with district grant applications and submissions

San Lucas Union School District— Library Page (Volunteer) **September 2019 - October 2020**

- Managed and kept an accurate inventory of library items.
- Regularly communicated with management to provide feedback and updates.
- Organized library shelves, materials, and equipment in clear, alphabetized order.

EDUCATION

Hartnell College, Salinas, CA— Associate of Arts: Psychology **May 2022**
GPA: 3.92/4.00
Honors: Summa Cum Laude

Hartnell College, Salinas, CA— Associate of Arts: Liberal Arts Psychology Emphasis **May 2022**

ADDITIONAL INFORMATION

- A San Lucas resident for 20+ Years
- I know many of the community members and have participated in community events.

Antonio F. Ramirez
[redacted]

August 19, 2025

Supervisor Chris Lopez
Monterey County Board of Supervisors, District 3
599 El Camino Real
Greenfield, CA 93927

Dear Supervisor Lopez,

My name is Antonio Ramirez. I am writing to express my interest in serving on the San Lucas Cemetery District Board. As a resident and community member of San Lucas for over 20 years, I am committed to the well-being and development of our community.

I am a part-time employee at the San Lucas County Water District. I have over 2 years of experience with how a board functions and have worked closely with many community members. I have helped schedule and keep accurate records of meetings.

I believe my experience makes me an ideal candidate as a board member for the San Lucas Cemetery District Board. I am eager to work with the current Board members to ensure that the San Lucas Cemetery remains a place of dignity and respect for all.

Thank you for considering my request. I am more than willing to discuss my interest further or provide any additional information you may need. I can be reached via email [redacted]

Sincerely,

Antonio F. Ramirez

County of Monterey

Board Report

Legistar File Number: APP 25-133

Item No.20

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Appointment
Matter Type: Appointment

Appoint Larry Hartman to Workforce Development Board as a Business Representative with a term expiration date on December 7, 2027. (Nominated by Workforce Development Board)

COUNTY OF MONTEREY

CLERK OF THE BOARD OF SUPERVISORS

To: Clerk of the Board's Office

From:

RE: Notification to Clerk of Appointment

Board of Supervisors' Meeting Date:

Appointment to the:

Nominated by: Monterey County Workforce Development Board

Representing: Business

Nominated Appointee:

Name: Larry Hartman

Address: [redacted]

Telephone number([redacted]
Primary Phone:

Email: [redacted]

Contact preference: ☐ USPS Mail or via Email ☒

Reason for Nomination:

☒ New Appointment

Replacing Member: Margaret D'Arrigo-Martin

☐ Reappointment

☐ Filling an Unscheduled/Unexpired Term

Replacing Member:

Reason: ☐ Resignation ☐ Death ☐ Term not completed ☐ Other (explain)

Clerk noticed of Unscheduled/Unexpired Term on:

Earliest Board of Supervisors' meeting date appointment can be set is: September 16, 2025

Term:

Start Date: September 16, 2025 Expiration Date: September 16, 2028

Monterey County Workforce Development Board
Online Membership Application

Today's Date

07/08/2025

CONTACT INFORMATION

Name:

Larry Hartman

Title:

Director, Branch Administration

Phone:

[redacted]

Mobile Phone:

[redacted]

Email:

[redacted]

City of Residence:

Marina

BUSINESS INFORMATION

Business Name:

[redacted]

Business Address:

[redacted]

Business Website:

[redacted]

Number of Current Employees:

990

Number of Years with Current Business:

7

Number of Years the Business has been in business in Monterey County:

75

Please describe the nature of the Business and your position within the Business:

Wescom is a not-for-profit financial organization that offers a full suite of financial products and services to its members including financial literacy workshops to all residents of the communities in which we serve. We have

four retail offices and a regional admin office in Monterey County. And an additional 26 branches in the Los Angeles area. Wescom created Wescom Foundation to financially support local nonprofit organizations that better the lives of Californias. Over $4.9 million has been invested to date around critical human needs, financial wellness, and disaster response.

My current role as Director of Branch Administration over sees day to day activities to ensure our branches are open and operational to serve our members within the communities of Marina, Salinas, Soledad and King City. In addition, I lead our corporate partnership initiatives partnering with local businesses and nonprofit organizations offering and delivering over 20 various financial workshops.

Please list your current chamber and association memberships, the duration of each membership and the positions you currently hold:

Wescom Assocation/Member

Salinas Chamber of Commerce
Monterey Chamber of Commerce
Soledad Rotary
King City Rotary
Monterey Rotary

We partner and actively get involved with many other various not-for-profit organizations like United Way, Monterey County Free Libraries, Marina Foundation, Rancho Cielo, Alliance on Aging, etc.

Please list any professional award(s) or recognition(s) you have received within the last 5 years:

None

As a member of your business with optimum policy authority, please describe your responsibilities within your organization:

Oversee day to day operations ensuring policy/procedures are followed within retail branch operations. Ensuring all banking compliance and regulatory rules are followed by team members. Responsibilities include physical branch facilities (repairs/remodels), IT hardware, systems, cash, security and branch safety.

In addition, promote team involvement in our Foundation, and community events like Salinas Pride, Rodeo, Airshow, etc. We set goals, track, and report our financial wellness activities like workshops offered and presented within the communities we serve. We focus on the under banked or non-banked members of our communities.

Monterey County Workforce Development Board

What do you hope to contribute from your participation on the Monterey County Workforce Development Board?

Over 37 years ago I started as an hourly employee making $4.10 an hour at a small hometown bank in Indiana. I worked there over 25 years, while finishing my BS degree in Business and becoming a Vice President of Operations. That was accomplished by opportunities presented to me to learn and develop new skills, talents, and trades. I was afforded many opportunities to grow and learn new skills, and along the way in leadership roles I afford the same opportunities to others.

Providing a path for development of others to success in their careers has been the highlight of my career in banking. My contribution will be to continue providing paths for others to gain, develop, and grow their careers while providing hiring managers and leaders with the community a solid talent pool for recruiting and promoting from within.

What experience in the areas of fundraising, budget analysis, workforce policy development, youth services, knowledge of the labor market, and community involvement or linkages with educational agencies do you bring to the Monterey County Workforce Development Board, as applicable?

I've planned and executed several small to large scale events. At my prior employer, I led Light the Night as one of the largest community initiatives to build awareness of blood cancers and raise money for research and

support with Leukemia & Lymphoma Society. Over the five years as leader, we raised $50k for LLS. It wasn't just about the $ raised, it was the hope on little kid's eyes when the red-light balloons rose to the sky, and they knew we were all there in our own way fighting for a cure.

I've managed teams of up to 300 FTE and budgets well over $20 million.

Youth Services experience has been around my leadership in 4-H and I was once a Big Brother with Big Brothers Big Sisters of America. I've also taught banking 101 skills to middle schoolers and also been invited by MCWDB to present banking 101 to Cadre's within Monterey County. I've also taught banking 101 and how to build credit to over 100 high school youth at Soledad Parks and Recreation.

Membership on the Monterey County WDB requires that each member attend a full WDB meeting every two months, attend training sessions for board members and become an advocate for workforce development. The time commitment for these activities ranges from a minimum of 2 to 4 hours per month. Can you make that time commitment?

Yes

Membership on the Monterey County WDB requires that each member serves on a subcommittee. The time commitment for this activity ranges from a minimum of 2 to 3 hours per month. Can you make that time commitment?

Yes

Why do you wish to serve on the Monterey County Workforce Development Board?

I'd like to serve with the board to make a difference in the lives of our residents and businesses within Monterey County.

Providing skills and paths to successful employment is key to our community's success. As a hiring manager myself, finding excited and qualified talent can be challenging and expensive. I'll work from personal life experiences with other board members to exceed the board's mission and vision.

Acknowledgment

I, the undersigned, certify that the information on this application is true and correct to the best of my knowledge and that, if appointed to serve, I will do so to the best of my ability and in the best interest of Monterey County and its citizens.

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

a. Receive a verbal update and presentation from Friends of Laguna Seca regarding the required Business and Facility Master Plans as outlined in the Concession Agreement for the Operation and Management of the Laguna Seca Recreation Area and the agreed upon sound study, and;
b. Consider granting an extension to the Friends of Laguna Seca for completion of the Facility Master Plan.

RECOMMENDATION:
It is recommended that the County of Monterey Board of Supervisors:
a. Receive a verbal update and presentation from Friends of Laguna Seca regarding the required Business and Facility Master Plans as outlined in the Concession Agreement for the Operation and Management of the Laguna Seca Recreation Area and the agreed upon sound study, and;
b. Consider granting an extension to the Friends of Laguna Seca for completion of the Facility Master Plan.

SUMMARY/DISCUSSION:
The Laguna Seca Recreation Area (LSRA) is a County of Monterey (County) regional park that encompasses approximately 552 acres, located at 1021 Monterey Salinas Hwy, Salinas, CA 93908. LSRA was formerly part of the Fort Ord Army Base, which, in 1957, permitted the Sports Car Racing Association of the Monterey Peninsula (SCRAMP) to develop and use the land as an automobile racing facility. In 1974, the United States deeded the property to the County. LSRA is home to the iconic WeatherTech® Raceway at Laguna Seca, Laguna Seca Rifle and Pistol Range, multiple campgrounds and miles of hiking, cycling and equestrian trails.

On July 18, 2023, the County entered into a Concession Agreement for the Operation and Management of the Laguna Seca Recreation Area (Agreement) with the Friends of Laguna Seca (FLS). Due to various circumstances, the Agreement did not become operational until August 1, 2024 (Operational Date), following FLS satisfying numerous Conditions Precedent as detailed in Section 2.3 of the Agreement. The initial term of the Agreement is for five and one-half (5 ½) years, with two (2), twenty-five (25) year extensions being granted upon the expenditure of at least fifty million dollars ($50,000,000).

As stated in Section 4.11 of the Agreement, FLS shall present status reports on and updates to the Business Plan to the Board of Supervisors on an annual basis. As the Operational Date was later than anticipated, FLS was not required to present a Business Plan update to the Board on or before January 31, 2025, as it was only five (5) months since taking over the Concession Premises. As the Business Plan will be a fundamental driver for the Facility Master Plan implementation, an update at

this time is being requested.

Since the Operational Date and as required by Section 5.2 of the Agreement, FLS has invested significant resources in addressing immediate repairs needed for track operation, guest services, infrastructure stability and public safety. Section 5.2 of the Agreement also states that within one year of the Operational Date, FLS will present a Facility Master Plan (FMP) to the Board of Supervisors. The FMP is intended to reflect FLS' long-term vision for alterations, additions and improvements to the Concession Premises. The FMP shall also include a Short-Term Capital Improvement Program (STCIP) to be completed within five (5) years of the Operational Date. In addition, FLS has agreed to undertake a sound study to maximize efforts of mitigating noise generated at LSRA as a component of the FMP.

FLS has faced multiple challenges since taking over LSRA operations that have delayed completion of the required update, plan and study. Entering into the operational phase of the Agreement in the middle of the major event season, having multiple management and staffing changes, completion of urgent repair projects and discovery of unknown deficiencies and issues with LSRA infrastructure have all impacted the completion of the FMP. With regards to the sound study, a highly experienced firm has been monitoring sound for both track rentals and major events for a majority of the calendar year. Following the last event of the season on September 27, 2025, the firm will have substantial data to analyze, in order to make a meaningful recommendation for sound mitigation at the facility.

FLS has stated that additional time is needed to complete the FMP and sound study. FLS has been refining their business plan and have identified certain opportunities that are to be important components of the FMP. In addition, FLS has stated that they are considering the significant long-term infrastructure needs of LSRA as well as developing the branding and aesthetic that the FMP needs to reflect as part of the forward Business Plan to make the facility stand out in the highly competitive event and destination market with great success for many years.

FLS is formally requesting an extension until the fourth quarter of Calendar Year 2026, to bring forward a complete FMP and sound study along with the associated investment to realize the FMP.

Given the complexity of taking over operational management of the LSRA facility in a very short period of time and the reasons stated by FLS for the delay, staff is recommending that the Board of Supervisors grant the extension requested by FLS.

OTHER AGENCY INVOLVEMENT:
The Office of County Counsel has reviewed this report as to form and legality.

FINANCING:
Receiving the report will have no effect on the County general fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Laguna Seca Recreational Area provides direct and indirect financial impacts to the County and its residents. The Concession Agreement, Business Plan and Facility Master Plan supports the Board of Supervisors Economic Development, Infrastructure, and Public Safety Strategic Initiatives by

supporting local and regional economies through tourism, substantially reducing General Fund contributions for maintenance and operation of the facility, protecting and improving County assets, and enhancing the safety of the County staff, facility occupants, and the public. Recreational activities and events support economic development and promote an experience that would encourage repeat customers. The recommended action supports the following Board of Supervisors' Strategic Initiatives:

X Economic Development
__Administration
__Health & Human Services
X Infrastructure
X Public Safety

Prepared by: Bryan Flores, Chief of Parks, (831) 796-6425
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachments:
Attachment A - Concession Agreement
(Attachments are on file with the Clerk of the Board)

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

a. Receive a verbal update and presentation from Friends of Laguna Seca regarding the required Business and Facility Master Plans as outlined in the Concession Agreement for the Operation and Management of the Laguna Seca Recreation Area and the agreed upon sound study, and;
b. Consider granting an extension to the Friends of Laguna Seca for completion of the Facility Master Plan.

RECOMMENDATION:
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OTHER AGENCY INVOLVEMENT:
The Office of County Counsel has reviewed this report as to form and legality.

FINANCING:
Receiving the report will have no effect on the County general fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Laguna Seca Recreational Area provides direct and indirect financial impacts to the County and its residents. The Concession Agreement, Business Plan and Facility Master Plan supports the Board of Supervisors Economic Development, Infrastructure, and Public Safety Strategic Initiatives by

supporting local and regional economies through tourism, substantially reducing General Fund contributions for maintenance and operation of the facility, protecting and improving County assets, and enhancing the safety of the County staff, facility occupants, and the public. Recreational activities and events support economic development and promote an experience that would encourage repeat customers. The recommended action supports the following Board of Supervisors' Strategic Initiatives:

X Economic Development
__Administration
__Health & Human Services
X Infrastructure
X Public Safety

Prepared by: Bryan Flores, Chief of Parks, (831) 796-6425
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachments:
Attachment A - Concession Agreement
(Attachments are on file with the Clerk of the Board)

Attachment A

DocuSign Envelope ID: 8404D5C0-F9CD-4F7D-ABC0-E805010CA07B

RESTATED

CONCESSION AGREEMENT

for the

OPERATION AND MANAGEMENT

of the

LAGUNA SECA RECREATION AREA

between

THE COUNTY OF MONTEREY

and

FRIENDS OF LAGUNA SECA

dated

_____, 2023

DocuSign Envelope ID: 8404D5C0-F9CD-4F7D-ABC0-E805010CA07B

CONCESSION AGREEMENT

This Concession Agreement ("Agreement") dated July 25, 2023 is between the County of Monterey, California ("County"), a political subdivision of the State of California, and Friends of Laguna Seca, a California non-profit public benefit corporation ("Contractor") (each a "Party," collectively, the "Parties").

RECITALS

WHEREAS, in 1974 the area now known as Laguna Seca Recreation Area ("LSRA"), consisting of approximately 552.256 acres and formerly part of Fort Ord, was transferred from the United States Government, through the Secretary of the Interior, acting by and through the Director, Bureau of Outdoor Recreation, to County pursuant to a quitclaim deed, by authority of the Federal Property and Administrative Services Act as amended, for public park and recreation area purposes, which deed has been amended three times (collectively, the "USA Deed"); and,

WHEREAS, a covenant of the USA Deed states "The property shall not be sold, leased, assigned or otherwise disposed of except to another eligible governmental agency that the Secretary of the Interior agrees in writing can assure the continued use and maintenance of the property for public park or public recreation purposes subject to the same terms and conditions in the original instrument of conveyance. However, nothing in this provision shall preclude the Grantee from providing related recreational facilities and services compatible with the approved application, through concession agreements, special use permits, licenses or other similar

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agreements entered into with third parties, provided prior concurrence to such agreements is obtained in writing from the Secretary of the Interior;" and,

WHEREAS, the National Park Service, Federal Lands to Parks Program ("NPS") is the designated representative of the Secretary of the Interior for the approval of concession agreements; and,

WHEREAS, since County's acquisition of LSRA in 1974, County has operated and managed the racetrack and associated facilities located within LSRA (currently known as WeatherTech® Raceway Laguna Seca, hereinafter "Raceway") under a series of concession and management agreements, most recently under a management agreement with A&D Narigi Consulting, LLC ("Manager"), effective January 1, 2020, and which expires on December 31, 2023; and,

WHEREAS, in addition to the Raceway, LSRA includes various campgrounds and two rifle/pistol ranges; and

WHEREAS, in 1983, the County Planning Commission approved Use Permit No. 2991 ("Use Permit") governing the operation and general development of LSRA; and

WHEREAS, LSRA has historically held contracted events in addition to events permitted pursuant to the Use Permit; and,

WHEREAS, Contractor is organized for the specific purpose of supporting LSRA and its related facilities, activities and events; and

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WHEREAS, County and Contractor have reached mutually agreeable terms for the operation and management of LSRA for the benefit of the general public and public recreation purposes pursuant to a new concession agreement ("Agreement"), and now desire to set forth those terms in writing: and,

WHEREAS, the County is satisfied that the provision of services and facilities by Contractor at LSRA is in the County's best interest; and,

WHEREAS, Manager has agreed to the assignment of its management agreement to Contractor, and supports the granting of a concession to Contractor; and,

WHEREAS, it is the intent of the Parties that the operation and management of LSRA shall be consistent with historical practice, the NPS-approved Program of Utilization, and the terms of the Use Permit and USA Deed, until a new master plan for LSRA is prepared and approved, and appropriate environmental review is performed for one or more facilities contemplated in the master plan; and,

WHEREAS, it is the further intent of the Parties that Contractor may operate and manage LSRA without day-to-day interference from County provided that Contractor complies with all terms and conditions of this Agreement, and County has the ability to provide necessary and appropriate oversight in its fiduciary role as owner of a major County asset; and,

WHEREAS, it is the further intent of the Parties that Contractor, its officer, employees and agents be considered independent Contractors and not County employees, pursuant to the guidelines set forth in Assembly Bill 5 (Gonzalez, 2019);

NOW THEREFORE,

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County and Contractor agree as follows:

ARTICLE 1. DEFINITIONS.

The following definitions and terms shall be interpreted to have the following meaning and intent.

1.1. "Adverse Consequences" means any and all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses, and fees, including court costs and reasonable attorneys' fees and expenses.

1.2. "Agreement" means this Concession Agreement.

1.3. "USA Deed" means that certain quitclaim deed from the United States Government to County dated October 31, 1974 and recorded in Monterey County Official Records at Reel 944 Page 1077, conveying LSRA to County, as amended on October 31, 1975 by document recorded at Monterey County Official Records as document No. G 43775, on August 6, 1986 by document recorded in Monterey County Official Records at Reel 2012 Page 235, and as further amended on January 21, 2000 by Document No. 2000082485, Monterey County Official Records. A copy of the USA Deed is attached hereto and incorporated herein by reference as Exhibit A.

1.4. "Board" means Contractor's Board of Directors.

1.5. "Business Plan" means the long-term business plan described in Section 4.11

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1.6. "Capital Expenditures" means all expenses on a calendar year basis for Capital Improvements and other Depreciable Assets as set forth in the Facility Master Plan.

1.7. "Capital Expense Fund" means an account with a financial institution established by Contractor as set forth in Section 6.3.

1.8. "Capital Improvements" means those physical improvements to the Concession Premises identified in the Facility Master Plan.

1.9. "Concession" means the right to utilize, administer, operate, maintain, improve, and manage the entirety of the Concession Premises and the Personal Property for public park and recreation purposes, subject to the terms and conditions in this Agreement.

1.10. "Concession Fee" means the sum paid to County pursuant to Article 3.

1.11. "Concession Premises" means all areas of the LSRA, including, but not limited to, the racetrack, paddock, infield, camping areas, and open space/habitat parcels but specifically excluding the rifle/pistol ranges and certain cell/radio towers. A map of the Concession Premises is attached hereto as Exhibit B.

1.12. "Conditions Precedent" means those conditions set forth in Section 2.3.

1.13. "Contractor" means the Friends of Laguna Seca, a California non-profit public benefit corporation.

1.14. "County" means the County of Monterey.

1.15. "County Representative" means the person designated in writing by County to Contractor for Agreement liaison purposes as described in Section 11.2.

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1.16. “County Services" means those services currently provided by County for the operation and maintenance of the Concession Premises. County Services include but are not limited to Information Technology services and other County overhead costs associated with the management and operation of the Concession Premises.

1.17. “Countywide Cost Allocation Plan (COWCAP)” means the distribution of centralized service departments costs (e.g., County Counsel, Auditor – Controller) to benefiting departments (e.g., Public Works, Facilities and Parks, Heath Department).

1.18. “Demonstrated Fraud or Fiscal Mismanagement” means a final criminal conviction, final civil judgement, or final binding arbitrator’s decision regarding fraud or financial mismanagement concerning the management and operation of the Concession Premises by Contractor, or as revealed in annual reviewed or audited financial statements.

1.19. “Depreciable Assets” means those fixed and mobile assets at the Concession premises used for generating income or profit, that have a useful life of more than a year and gradually reduces in value over time, and that are on the County depreciation schedule for accounting purposes.

1.20. “Effective Date” means the date last signed by one of the parties, which date is July 25, 2023.

1.21. “Facility Master Plan” means the facility master plan described in Section 5.2, as may be amended from time to time.

1.22. “Fiscal Year” means County’s fiscal year, July 1 – June 30.

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1.23. “Gross Revenue” means all revenue generated, directly or indirectly, as result of events or activities occurring, pursuant to this Agreement, on, at or in the Concession Premises. Except as may be specifically agreed to in writing otherwise, Gross Revenue includes, but is not limited to, all revenue derived from advertising, sponsorship, event sanctioning fees, partnerships, donations, pledges, ticket sales, merchandise sales, food or beverage sales; daily track or other facility rentals; camping fees; the provision of services; or monetary or in-kind receipts from any and all sources of income derived in whole or in part from any business transacted on, at, or in the Concession Premises, whether from customers or otherwise, both cash and on credit, and in cases of sales or charges on credit, whether or not payment is actually made or received.

1.24. “Immediate Repairs” means those repair and maintenance items at the Concession Premises that require attention for health and safety reasons within twelve (12) months following the Operational Date, as described in Article 5.

1.25. “Improvements” means the improvements built or installed, or caused to be built or installed by Contractor on the Concession Premises pursuant to this Agreement, such improvements to be owned by County at the end of the term. Improvements include, but are not limited to, Capital Improvements.

1.26. "Irrevocable Obligation to Spend” means one of the following: (i) Contractor has entered into a written contract or Agreement that obligates Contractor to spend the sums set forth in the contracts on capital improvements as set forth in the Facility Master Plan. Such written contract could include a pledge agreement from a donor to

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Contractor whereby the donor requires that Contractor spend the specified sum on capital improvements, (ii) Contractor has provided County with a bond in an amount equivalent to an amount to pay for an identified capital improvement, or (iii) Contractor has established an escrow account with a reputable financial institution for the benefit of County into which is deposited an amount equivalent to an amount to pay for an identified capital improvement.

1.27. "LSRA" means the Laguna Seca Recreation Area.

1.28. "Major Spectator Events" means those events so defined by the Use Permit and as historically sponsored under the prior concession and management agreements, and in general are described as large events with an attendance of 12,000 – 20,000 persons per day. The general public may attend Major Spectator Events by ticket purchase under the conditions established by Contractor.

1.29. "Manager" means A&D Narigi Consulting, LLC.

1.30. "Management Agreement" means that certain agreement between County and Manager for the management and operation of LSRA, effective January 1, 2020, through December 31, 2023, as amended from time-to-time.

1.31. "Material Agreement, Term, Covenant or Condition" means the obligations set forth in Sections 2.1, 2.2, 3.1, 4.16, 4.19, 5.1, 5.2, 6.1, 6.4, 6.5, 6.7, and 8.1, and Articles 9, 10 and 11, and Demonstrated Fraud or Fiscal Mismanagement.

1.32. "Medium Spectator Events" means those events defined by the Use Permit and as sponsored under the prior concession and management agreements, and in general are

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described as medium events with an attendance of 5,000 – 12,000 persons per day. The general public may attend Medium Spectator Events by ticket purchase under the conditions established by Contractor.

1.33. "Naming Rights" means the exclusive right to have a name of any kind associated with the entirety of (i) the LSRA, (ii) the Raceway (with or without the paddock), (iii) any building, compound or other physical structure at LSRA (i.e. the bridges); (iv) the campground facilities, or (v) the rifle/pistol ranges if such ranges become part of the Concession Premises pursuant to Section 4.20, for a defined period, with or without compensation. Naming Rights do not include routine advertising or sponsorships for specific events at the Concession Premises.

1.34. "NOI" means the annual net operating income (or portion thereof) derived from or arising out of activities at the Concession Premises in a calendar year. NOI shall be determined by calculating all Gross Revenue minus all Operating Expenses. NOI excludes capital expenditures, depreciation and amortization, gain/loss on sale of assets, interest expense, and other non-operating items.

1.35. "Operating Expense Fund" means an account with a financial institution established by Contractor as set forth in Section 2.3.2.

1.36. "Operating Expense Reserve" means an amount equal to five million dollars ($5,000,000).

1.37. "Operating Expenses" means all expenses associated with the operations and maintenance of the Concession Premises and includes any taxes, fees, assessments,

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and any permit or licensing fees imposed by any local, state or federal agency, but does not include capital expenditures, depreciation and amortization, gain/loss on sale of assets, interest expense, and other non-operating items.

1.38. "Operational Date" means the date upon which all the Conditions Precedent are satisfied, as evidenced by the written agreement of the Parties, and Contractor may enter upon the Concession Premises and implement the terms of this Agreement.

1.39. "Party" means County or Contractor individually, "Parties" means County and Contractor, collectively.

1.40. "Personal Property" means all tangible personal property owned by County and located at the LSRA.

1.41. "Program of Utilization" means the County's plan for public park and recreation uses and facilities that has been reviewed and approved by the National Park Service.

1.42. "Raceway Facilities" means the area at the Concession Premises that includes the racetrack and associated buildings, land and facilities.

1.43. "Reunion" means that event called the Rolex® Monterey Motorsports Reunion held annually at LSRA, including the event known as the Pre-Reunion.

1.44. "Sea Otter Agreement" means that certain agreement for the staging of that event known as the Sea Otter Classic between County and LTF Triathlon Series, LLC, a wholly owned subsidiary of Life Time, Inc., effective December 22, 2016.

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1.45. "Small Spectator Events" means those events defined by the Use Permit and as sponsored under the prior concession and management agreements, and in general are described as small events with an attendance of 1,000 – 5,000 persons per day. The general public may attend Small Spectator Events by ticket purchase under the conditions established by Contractor.

1.46. "Spectator Events" means events at the Concession Premises at which the general public is allowed to attend and observe. Spectator Events include, but are not limited to Large, Medium and Small Spectator Events.

1.47. "STCIP" means the short-term capital improvement program to be included in the Facility Master Plan as described in Section 5.2.

1.48. "Term" means the term of this Agreement and the Concession as set forth in Section 2.5.

1.49. "Termination Date" means the date on which the Term expires as set forth in Section 2.5, or the date on which this Agreement is otherwise terminated.

1.50. "Use Permit" means that certain permit number 2991 issued by the County Planning Commission on or about October 26, 1983, pursuant to Resolution number 83-376. A copy of the Use Permit is attached hereto as Exhibit C.

1.51. "WeatherTech® Agreement" means that certain agreement between County and WeatherTech Direct LLC effective April 1, 2018, as amended by that certain Amendment No. 1 effective as of March 22, 2022, and that certain amendment No. 2 effective as of July 1, 2023.

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ARTICLE 2. GRANT OF CONCESSION AND TERM.

2.1. Concession Granted.

Subject to the satisfaction of the Conditions Precedent set forth in Section 2.3, below, County hereby grants Contractor an exclusive Concession, subject to the terms of this Agreement. County shall deliver possession of the Concession Premises and Personal Property to Contractor on the Operational Date free, clear and unencumbered by any and all tenancies and parties in possession with the exception of (1) the WeatherTech® Agreement, (2) the Sea Otter Agreement, (3) the Rolex® Agreement, (4) the USA Deed, (5) the Use Permit, and such other agreements as the Parties may acknowledge and agree to in writing. Commencing on the Effective Date, Contractor shall have the right to access the Concession Premises at all reasonable times upon 48 hours written notice to County for all appropriate purposes, including for the purpose of inspecting the Concession Premises and planning to transition the utilization of the Concession Premises to Contractor. Prior to the Operational Date, Manager shall continue to manage LSRA pursuant to the Management Agreement.

2.2. Nature of Concession.

This Agreement grants an exclusive Concession and is not to be considered or interpreted as a lease for any purpose. This Agreement confers only permission to occupy and use the Concession Premises for purposes of the Concession in accordance with the terms and conditions herein. The expenditure of capital and/or labor in the course of operation and management of the Concession Premises shall not confer any interest on the part of Contractor in the Concession Premises except as provided herein.

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Contractor does not assume or have any responsibility with respect to any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due) of County or any predecessor concessionaire, contractor, or manager that arose or existed prior to the Operational Date that are not specifically assumed by Contractor in this Agreement. County shall pay or cause to be paid in full any outstanding invoices or amounts that are due and payable to any prior concessionaire, contractor, manager, third party vendor or any other third party within 30 days after the County Auditor-Controller receives a certified invoice. If any such outstanding invoices are pending review and approval by the County Representative as of the Effective Date or the County Representative received any outstanding invoice after the Effective Date, the County Representative shall transmit such invoices to the County Auditor-Controller within five (5) business days of either the Effective Date or of receipt, whichever is later, to ensure prompt payment of the invoices by the County Auditor-Controller.

It is the intent of the Parties that Contractor be an independent contractor under California law, and this Agreement is not to be construed or implemented in a way that makes Contractor anything other than an independent contractor. Contractor may not utilize the Concession Premises for any use other than to perform its obligations hereunder, and may not utilize the Concession Premises as its general headquarters, or otherwise represent it as such.

2.3. Conditions Precedent.

2.3.1. Contractor shall have established the Capital Expense Fund and County shall have received an account statement from the financial institution verifying that the sum of One

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Million Dollars ($1,000,000) has been deposited into the Capital Expense Fund and is available to Contractor for capital expense purposes. This condition is for the sole benefit of County.

2.3.2. Contractor shall have established the Operating Expense Fund and County shall have received an account statement from the financial institution verifying that the sum of five Million Dollars ($5,000,000) has been deposited into the Operating Expense Fund and is available to Contractor for operating expense purposes. This condition is for the sole benefit of County.

2.3.3 Contractor and County shall mutually agree upon the detailed financial statement that must be prepared pursuant to Section 6.1.

2.3.4 County shall have assigned, on terms and conditions reasonably acceptable to Contractor, all contracts and agreements that extend beyond the Operational Date to Contractor effective as of the Operational Date, as set forth in Section 4.16. This condition is for the benefit of both Parties.

2.3.5 The Secretary of the Interior, or designee, shall have given written concurrence on the use of a concession agreement for management of the concession premises as required by the USA Deed. If such written concurrence is denied, this Agreement shall immediately terminate.

2.3.6 If any of the Conditions Precedent set forth above in Sections 2.3.1, 2.3.2, 2.3.3 or 2.3.4 are not satisfied or waived on or before sixty (60) days after the Effective Date, then the Party for whose benefit the condition exists, as set forth above, may unilaterally cancel this Agreement by written notice to the other Party.

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If the Condition Precedent set forth in Section 2.3.5 is not satisfied within ninety (90) days of the Effective Date, the Parties shall meet and confer in good faith to determine whether additional time shall be allowed for the satisfaction of the condition, or whether the Agreement shall be terminated.

In the event of the termination of this Agreement due to non-satisfaction of any of the conditions set forth above, neither Party shall thereafter have any further obligation or liability to the other under this Agreement.

2.4 Condition of Concession Premises.

As of the Effective Date Contractor represents and warrants to County that it has performed its due diligence regarding the condition of the Concession Premises and the finances thereof, and that it shall accept possession of the Concession Premises in an "as-is" condition. County makes no warranties or representations with respect to any condition of the real or personal property that comprise the Concession Premises, or its fitness for a specific purpose, except as specifically set forth herein. County represents and warrants to Contractor that, to the knowledge of County, the Concession Premises is in compliance with all applicable federal, state, or local laws, ordinances and governmental rules or regulations pertaining to the operation or use of the Concession Premises, and that there are no agreements, restrictions or prohibitions affecting the Concession Premises or this Agreement that limit, conflict or otherwise interfere with Contractor's use of the Concession Premises or other rights under this Agreement except the USA Deed, Use Agreement, the WeatherTech® Agreement, the Sea Otter Agreement, certain lands subject to an Environmental Services Cooperative Agreement ("ESCA") as described in

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Section 4.1 below, and other event sanctioning and Naming Rights agreements as may be in effect as of the Effective Date for future years.

2.5. Term.

2.5.1 The Term initially shall be approximately five and one-half (5 ½) years and commence on the Effective Date and expire at midnight on December 31, 2028, unless extended or earlier terminated as provided herein.

2.5.2 Upon the expenditure, or Irrevocable Obligation to Expend, the sum of Ten Million Dollars ($10,000,000) in Capital Improvements during the Term, as set forth in the Facility Master Plan and as reasonably verified by County, the Term shall be extended for an additional twenty-five (25) years, to expire at midnight on December 31, 2053, without further action or approval by County, unless extended or earlier terminated as provided herein.

2.5.3 Upon the expenditure, or Irrevocable Obligation to Expend, the additional sum of Forty Million Dollars ($40,000,000) in Capital Improvements during the Term (as extended in Section 2.5.2, above) as set forth in the Facility Master Plan, and as reasonably verified by County, the Term shall be extended for an additional twenty-five (25) years, to expire at midnight on December 31, 2078, without further action or approval by County, unless extended or earlier terminated as provided herein.

ARTICLE 3. CONCESSION FEE.

3.1. As consideration for the grant of the Concession, Contractor agrees to pay to County annually a sum equal to ten percent (10%) of NOI for the prior calendar year no later than sixty

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(60) days after the end of the calendar year during the Term, beginning sixty (60) days after December 31, 2028.

County agrees that such funds shall be deposited into and maintained in the Laguna Seca Enterprise Fund and used solely for the benefit of LSRA or such other County park and recreation purposes as permitted by the USA Deed with the approval of Contractor, such approval not to be unreasonably withheld or delayed. Contractor and County agree to meet and confer within thirty (30) days of each calendar year beginning on January 1, 2028, to discuss the operational needs of the Concession Premises, Capital Expenditures for the upcoming calendar year, Operating Expenses for the upcoming calendar, planned maintenance and repair for the upcoming calendar year, and the balance of the Concession Fee paid into the Laguna Seca Enterprise Fund. At the annual meeting. Contractor may reasonably request, and the County Representative may approve, expenditures from the Laguna Seca Enterprise Fund for use at the Concession Premises, unless such approval is required by the Board of Supervisors in which event the County Representative shall process such request to the Board of Supervisors.

ARTICLE 4. OPERATIONS AND MAINTENANCE.

4.1. General.

After the Operational Date, except as specifically set forth herein, Contractor shall be solely responsible for the management, operation, and maintenance of the Concession Premises, and shall be solely responsible for all costs and expenses associated therewith, except as specifically agreed to by the Parties in writing. Such expenses shall include, but not be limited to, all electricity, natural gas/propane, garbage, telephone, vehicle fuel, security systems and other utilities and similar services supplied to or consumed in or on the Concession Premises.

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Certain facilities are specifically excluded from the Concession Premises as set forth in Section 1.12. Those facilities are separately metered for electrical service. County shall be solely responsible for payment of those separately metered services.

Contractor shall manage, operate and maintain the Concession Premises in a safe, healthy and clean condition, and in a manner consistent with its public park and recreation area purpose. Contractor may charge fees reasonably designed to support the operation of Contractor's business in the Concession Premises, consistent with the NPS approved Program of Utilization and the terms of this Agreement. Proposals for use of the Concession Premises to provide public park and recreation services not specifically included in this agreement or the Program of Utilization must be submitted to the County for approval.

The Parties agree that County shall maintain any necessary permits for the water and wastewater systems at LSRA; Contractor shall be assigned and shall maintain any necessary permits for fuel tanks at LSRA, whether underground or above ground.

The Parties acknowledge that certain areas at LSRA have been designated as subject to an ESCA as they may contain unexploded munitions or ordnance. Such areas are depicted on the map enclosed as Exhibit B. Such areas shall not be subject to ground disturbance, digging, excavation or other intrusive activities without consultation and approval by County, the ESCA team and the Army.

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4.2. Acknowledgement of Title.

Contractor hereby acknowledges all right, title and interest of County in the Concession Premises, the improvements located thereon, and all intellectual property relating to LSRA, and covenants and agrees never to assail, contest or resist said title.

4.3. Personal Property.

No later than thirty (30) days after the Effective Date the Parties shall assess and inventory the Personal Property. Following completion of the inventory and on or before November 1, 2023, Contractor shall indicate if it wishes to acquire any of the Personal Property items. County shall sell such Personal Property to Contractor at its then fair market value. If the Parties cannot agree on the fair market value of the Personal Property, the Parties shall meet and confer in good faith to select and retain a third party with the appropriate expertise in valuation of the Personal Property and the third party's determination shall be conclusive in establishing the fair market value of the Personal Property. County shall remove all Personal Property not to be acquired by Contractor. Notwithstanding the foregoing, Contractor shall be obligated to purchase all inventory at the LSRA gift shop and other items for sale to the general public, and all vehicle fuel.

If the Parties have not finished the inventory by the Operational Date, or if Contractor otherwise needs to utilize any of the Personal Property following the Operational Date, Contractor will be permitted to use the Personal Property solely for purposes of its obligations hereunder, and shall be responsible for its proper operation, maintenance, and repair. In consideration of the use of the Personal Property, Contractor shall pay to County monthly a reasonable sum to be mutually agreed upon by the Contractor and County. County shall

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document the condition of the Personal Property, and Contractor shall be entitled only to normal wear and tear of such Personal Property during its use. Contractor shall not be allowed to use the Personal Property beyond December 31, 2023, and shall have either purchased the Personal Property by that time or County shall remove the Personal Property.

4.4. County Services

County allocates its service costs, including services to the Concession Premises, through the implementation of County's cost allocation plan, commonly known as COWCAP. Contractor intends to provide for such services on its own; however, a reasonable transition period may be required for County to provide for such services, and some services will continue to be provided. Immediately upon the Effective Date, the Parties shall negotiate in good faith for Contractor to provide such services after the Operational Date. For so long as County continues to provide such services after the Operational Date, they shall continue to be a charge against the Concession Premises and shall be an Operating Expense. Contractor acknowledges that COWCAP charges are two (2) years in arrears, and that the charge accruing for Fiscal Year 2021/2022 is $36,144 that will be due in Fiscal Year 2023-24, but is unknown for Fiscal Year 2022/2023 that will be due in Fiscal Year 2024/2025. County shall be responsible for COWCAP charges accruing for Fiscal Year 2021/2022 and due in Fiscal Year 2023/2024; Contractor shall be responsible for payment of any accruing COWCAP charges accruing for Fiscal Year 2022/2023 and due beginning in Fiscal Year 2024-25 and thereafter during the term. County shall bill Contractor for the COWCAP expenses as soon as the amount is determined, and

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Contractor shall pay to the County that amount no later than July 31 of each Fiscal Year in which the charges are due.

Contractor acknowledges that certain expenses are directly billed to LSRA and not included in COWCAP, and will continue to be charged after the Effective Date. Such charges are primarily charges for employee time associated with oversight of Contractor in its performance of this Agreement. Contractor and County shall meet and confer prior to the commencement of each calendar year to discuss expected direct costs and expenses for the upcoming calendar year. County shall provide Contractor with an invoice iteming any employee time or other direct charges no less frequently than every Fiscal Year quarter and Contractor shall have thirty (30) days to review, approve and pay those invoices. Contractor and County shall meet and confer to discuss any disputed charges on the invoices. Any disputes that cannot be resolved are subject to the dispute resolution provisions set forth in Section 17.6 of the Agreement.

4.5 Intellectual Property.

County represents to Contractor that, to the best of County's knowledge, County owns all intellectual property rights relating in any way to the Concession Premises including, but not limited to, logos, trademarks and identifying terms, domain names for internet purposes, and telephone numbers. Contractor may propose and file for such intellectual property right protection (whether copyright or trademark) but all such applications shall be in the name of County. Contractor shall have the right during the Term to the non-exclusive use of such intellectual property. Contractor shall defend against any challenge to County's intellectual property Contractor may use pursuant to this Agreement, and shall prosecute violations of County's intellectual property related to the Concession Premises.

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4.6. Park Attendance Limitations.

Daily attendance levels at the Concession Premises are subject to event attendance limitations as set forth in in the Use Permit until and unless Contractor secures an amended or new use permit for the Concession Premises that authorizes different event attendance limits at the Concession Premises. County shall retain the authority to impose limitations on attendance levels as reasonably necessary for public health and safety purposes.

4.7. Signage.

In the event Contractor desires to place new permanent signage at the Concession Premises, Contractor shall seek prior review and input from the County Representative. Contractor shall obtain all necessary permits for such signage, including any necessary County or Caltrans permits.

4.8. Required Directional Signage.

Contractor shall provide, install and maintain permanent internal directional signs at the Concession Premises indicating the location of facilities, parking, and general necessary information for visitors and event spectators.

4.9. Dissemination of Information.

Contractor is authorized to submit press releases, circulate articles and periodicals promoting the Concession Premises and/or release still photographs, video, motion pictures, and use of internet in any advertising media campaign. All such disseminated information prepared by Contractor that identifies Contractor as the operator of LSRA shall also identify County in

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similar type face size as the owner of the Concession Premises and that the property was received from the federal government for public park and recreation area purposes.

4.10. Use of Road System.

Contractor shall be responsible for coordinating and gaining approval for the use of all roads providing ingress and egress to the Concession Premises including roads maintained by Federal, State, and local agencies. Contractor shall obtain and provide for all appropriate traffic control measures for the safe operation of the Concession Premises. County shall make all reasonable efforts to assist Contractor in obtaining access and use to roads under its jurisdiction as well as cooperate with other agencies in obtaining access and use; however, County cannot guarantee or warrant that Contractor shall have use and access to any road or property not within the jurisdiction of County.

4.11. Business Plan.

The Parties acknowledge that Contractor has previously presented to the Board of Supervisors the Business Plan setting forth its long-term plan for the operation and maintenance of the Concession Premises. No later than January 31st of each year Contractor shall present status reports on and updates to the Business Plan to the Board of Supervisors.

Contractor shall use its best efforts to implement the Business Plan. Should conditions or circumstances interfere with or preclude the successful implementation of the Business Plan, Contractor shall inform the County Representative regarding such conditions or circumstances. The County Representative shall have authority to take appropriate action with respect to such conditions or circumstances as may be requested by Contractor, subject to any necessary approval by the Board of Supervisors.

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4.12 Master Calendar.

Contractor shall maintain a master calendar specifying the date and time of all Spectator Events, and all other material third party activities and uses of the Concession Premises

4.13. Advertisement of Major Spectator Events.

Prior to March 1 of each year, Contractor shall cause an advertisement to be published at least twice in a local newspaper of general circulation the schedule for Major Spectator Events for that calendar year. The advertisement shall be no smaller than "3X5" and shall be printed in no smaller than 12-point type face. Contractor shall provide the County Representative a copy of the advertisement promptly prior to or following publication. Contractor shall similarly publish any change in the schedule for Major Spectator Events promptly following any such rescheduling.

4.14. Schedule of Fees.

Fees charged should be reasonable so as not to deny participation by the general public. Contractor shall annually prepare a schedule of fees for access to and use of Raceway Facilities on the Concession Premises and present the schedule of fees to the County Representative for approval, publication and public disclosure. Contractor shall also prepare a schedule of fees for access to and use of the campgrounds at the Concession Premises during ticketed and non-ticketed events, a schedule of campground fees, and a schedule of day use fees to the County Representative for approval, which shall not be unreasonably withheld, and publication. The County acknowledges and agrees that the cost of any campground improvements or upgrades that may occur as part of the Facility Master Plan may be require a reasonable increase in campground fees and charges above historical rates and charges. Except

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as specifically set forth in this Agreement, or unless specifically agreed to in writing by County as expressed by the County Representative, Contractor shall not allow any access to or use of any facilities on the Concession Premises without payment of the applicable fee.

4.15. Sound Limitation.

In the conduct of all activities at the Concession Premises, Contractor shall comply, and shall use reasonable efforts to cause third parties to comply, with sound limitations consistent with past practices at the Concession Premises until and unless Contractor secures an amended or new use permit for the Concession Premises that authorizes different sound limitations at the Concession Premises. Notwithstanding anything to the contrary set forth in this Agreement, if Contractor is unable to reasonably cause an event to be conducted in compliance with the sound limitations, such event shall not be permitted to occur.

4.16 Assignment of Agreements and Licensing of Events.

Prior to the Operational Date, County shall assign, or cause to be assigned, to Contractor, on terms and conditions reasonably acceptable to Contractor, all agreements relating to the Concession Premises existing as of the Operational Date, including but not limited to the A&D Narigi Agreement, WeatherTech® Agreement, the Sea Otter Agreement, the Rolex® Agreement, and the All Field Sports Agreement (if it has not been assigned to A&D Narigi prior to the Operational Date). Upon assignment, Contractor shall be solely responsible for all obligations of County thereunder accruing from and after the Operational Date. Such assigned contracts must be assignable back to County in the event this Agreement is terminated. Upon assignment of the A&D Narigi Agreement, Contractor shall ensure that Manager shall not authorize expenditures nor receive Gross Revenue.

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The Sea Otter Classic and Reunion shall remain County events. County hereby grants to Contractor a license to stage the Sea Otter Classic and the Reunion on behalf of County, and receive all revenue generated by those events less any related expenditures incurred by County, including any revenue that has been paid prior to the Operational Date for events occurring in calendar year 2023, in accordance with Section 6.1 of the Agreement. Contractor shall be responsible for any expenses for events occurring in calendar year 2023 paid by County prior to the Operational Date, and shall reimburse County for any such expenses. After the Operational Date, Contractor shall be responsible for discharging all County responsibilities and obligations under the Sea Otter and Rolex® Agreements, and shall be responsible for all expenses associated with staging those events.

4.17. Contracting Authority.

Contractor is hereby delegated authority to sign contracts in its own name for the operation and maintenance of the Concession Premises, and for Capital Expenditures; however, in all contract matters and to the extent these laws equally apply to Contractor, Contractor shall be subject to the laws and regulations applicable to County in the letting of contracts including, without limitation, required formal bidding. Contractor shall provide the County Representative with copies of all contracts within 14 calendar days of execution. Contractor may request use of the County Job Order Contracting catalogs ("JOC") for appropriate purposes; however, use of JOC is limited to maintenance and repair (not new construction) and is subject to annual limits. Use of JOC shall be solely at the discretion of County.

All contracts shall have appropriate defense and indemnification language in favor of County, its officers and employees, and insurance requirements. All insurance policies shall name County, its officers and employees as additional insureds, be primary and noncontributory

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to any insurance maintained by County, and shall waive subrogation. Should contracts require specialized defense and indemnification, or insurance requirements, Contractor shall consult with the County Representative regarding those specialized requirements prior to executing such contracts.

4.18. Use of Charitable Organizations.

Contractor will endeavor in good faith to (i) engage local (Monterey County) civic organizations to provide services at public events held at the Concession Premises in a manner generally consistent with historical practice and the NPS approved Program of Utilization, and (ii) provide preference to local (Monterey County) vendors providing services at public events held at the Concession Premises, as long as the quality of the vendor services and the terms and conditions of the transaction, on an overall basis, are fair and reasonable to Contractor and are at least as favorable as those that are generally available from vendors whose principal place of business is outside of Monterey County.

4.19. Advertising, Sponsorships and Sanctioning.

4.19.1. Contractor shall not cause nor permit advertising or sponsorships of events at the Concession Premises that are distasteful or a cause for embarrassment to County.

4.19.2. Contractor shall not cause or permit advertising or sponsorships of events at the Concession Premises for tobacco, gun related companies, or adult entertainment businesses. Cannabis advertising, sponsorships or event sanctioning shall be by mutual agreement of the Parties.

4.19.3. All Naming Rights, advertising, sponsorship and event sanctioning agreements entered into by Contractor shall provide that, in the event this Agreement is

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terminated, such agreements shall (i) be assigned to County at County's sole option or, (ii) terminate if County does not opt to assume such agreement prior to the termination of this Agreement.

4.19.4. Contractor shall have the sole and exclusive right to negotiate and enter into (i) sponsorship, advertising, and event sanctioning agreements for the Concession Premises and (ii) all Naming Rights agreements. All such Naming Rights agreements proposed to be conveyed by Contractor to any person or entity shall be compatible with and complement the use of the Concession Premises as a public park and raceway facility, shall not be a cause for embarrassment of County, and shall comply with all County policies regarding the naming of facilities. Following the Effective Date, County shall not enter into any new agreements that will be binding upon the Concession Premises or Contractor after the Operational Date, or modify, extend or renew any such agreement without the review and approval of Contractor, which Contractor agrees shall not be unreasonably withheld.

4.20. Rifle/Pistol Ranges.

County employees currently staff and manage the lower rifle/pistol range, and the upper rifle/pistol range is utilized by the Monterey County Peace Officers Association. Additional time is needed to address certain contract and employee issues relating to the ranges. Both ranges, therefore, are not included in the Concession Premises as of the Effective Date. The Parties shall meet and confer in good faith following the effective date to discuss the potential inclusion of the ranges in the Concession Premises and events taking place at the Concession Premises that may require the temporary use of the ranges for parking consistent with historic practices. County shall allow Contractor to use portions of the lower rifle/pistol range for spillover parking

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consistent with historic practices. Contractor shall be responsible for any damages from such use and shall be responsible for cleanup after the event for which the range is used for spillover parking. Except as otherwise provided herein, County will be responsible for all costs and expenses associated with the operation and maintenance of the ranges, and shall retain all revenue, unless and until the ranges are included in the Concession Premises. Contractor shall facilitate and allow reasonable access to the ranges. The County shall also close or otherwise restrict the operation of the rifle/pistol range during major events.,

4.21 Use of Facilities by Contractor.

In order to maintain Contractor's status as an independent contractor, County may provide Contractor with temporary facilities to utilize on an as-needed basis for events at the Concession Premises. Should Contractor desire a more permanent presence in order to carry out its obligations pursuant to this Agreement, County will provide such facilities; however, Contractor shall pay fair market rent for the use of such facilities, as mutually determined and set forth in a subsequent agreement, which rent shall be considered an Operating Expense. Contractor shall identify any such facility prior to the Operational Date. If the Parties cannot agree on the fair market value of rent for the use of such facilities, the Parties shall meet and confer in good faith to select and retain a third party with the appropriate expertise in rent valuation and the third party's determination shall be conclusive in establishing the fair market value of the rent. Such facilities may include office equipment, including computers, but Contractor shall not be provided, nor shall use, County electronic mail addresses, or have access to County's intranet. Nothing in this subsection shall preclude any future manager for Contractor from maintaining a permanent presence to carry out day-to-day operations and management of the Concession Premises.

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4.22. No Permanent Residence.

Contractor acknowledges and agrees that the Concession Premises is not intended to be a permanent residence for any person and will not allow any person to reside permanently on the Concession Premises. Any temporary residence (other than camping at the campgrounds) must be approved by the County Representative, and Contractor must satisfy all requirements for such temporary residences that County, in its discretion, may require. Such temporary residences may create a possessory interest as defined in California Revenue and Taxation Code section 107, and subject to taxation, and may be subject to federal income taxation. Contractor shall be responsible for the payment of such tax but may require the person(s) temporarily residing on the Concession Premises to pay such tax; however, in no event shall County be liable for the payment of any such tax, and Contractor agrees to indemnify County if such tax is levied for such tax. Nothing in this Section shall prohibit Contractor from providing a designated camp site for (1) one or more volunteers to reside in exchange for volunteer's agreement to provide maintenance and repair services to the campground and other facilities within the Concession Premises, or (2) designated sponsor or vendor representatives in exchange for providing services to the Concession Premises during ticketed events.

4.23. County and National Park Service access.

Notwithstanding any other provision of this Agreement, County and its agents, and representatives of the National Park Service, shall have the right to enter the Concession Premises at any time for any appropriate purpose, provided that such entry does not interfere with Contractor's performance under this Agreement. Contractor shall provide up to 15 all-access passes and parking permits as may be requested by the County Representative.

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The Concession Premises includes several cell/radio towers, and an information technology building. Such facilities are identified in Exhibit B. Those facilities are critical to County's operations, and County shall have access to the facilities at all times. The information technology building provides access from the Concession Premises to the County's intranet and to the internet; such access shall be disconnected at a time mutually negotiated, and Contractor shall be solely responsible for access from the Concession Premises to the internet.

County shall be permitted to allow the creation of "micro cell sites" at the Concession Premises by the attachment of appropriate infrastructure to light poles and the Trylon. County shall coordinate with Contractor regarding the installation of such infrastructure so as not to interfere with events at the Concession Premises, and County shall be solely responsible for the cost of installation and the maintenance of the infrastructure.

4.24. Security

4.24.1. At its sole discretion, Contractor shall maintain appropriate security at the Concession Premises to maintain order during spectator events, and to protect the Concession Premises from damage at all times.

ARTICLE 5. CAPITAL IMPROVEMENTS.

5.1. Contractor covenants to use a minimum of fifty percent (50%) of NOI for Capital Improvements, which sum shall be deposited in the Capital Expense Fund.

5.2. Facility Master Plan.

Contractor shall develop a Facility Master Plan and present it to the Board of Supervisors within one year of the Operational Date. The Facility Master Plan is intended to reflect Contractor's long-term vision for alterations, additions, and Improvements to the Concession

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Premises. Implementation of the Facility Master Plan shall be subject to applicable requirements of law including the California Environmental Quality Act ("CEQA"). The Facility Master Plan shall also set forth a plan for the replacement of Depreciable Assets at the end of their useful life, as set forth in County's depreciation schedule for the Concession Premises, including how such replacement shall be funded or financed if Contractor's use of such assets is consistent with Contractor's Business Plan for the Concession Premises. The Parties shall meet and confer regarding replacement or demolition of Depreciable Assets prior to the end of their useful life as set forth in the depreciation schedule.

Contractor shall implement the Facility Master Plan, subject to obtaining all necessary governmental permits and approvals, to the extent the financial obligations of the Facility Master Plan are consistent with the Contractor's financial obligations herein. All Improvements contemplated in the Facility Master Plan shall, if and when constructed or installed, be owned by County notwithstanding Contractor's role in the planning, development or implementation of the Facility Master Plan.

Contractor shall identify any Immediate Repairs within sixty (60) days of the Operational Date. Contractor shall cause the Immediate Repairs to be performed within twelve (12) months following the Operational Date. Such performance shall be evidenced by contract(s) or agreement(s) between a vendor or contractor and Contractor. Notwithstanding Contractor's obligation to identify and undertake any Immediate Repairs, to the extent that the County has received independent funding to undertake any repair and maintenance prior to the Operational Date, County shall be obligated to undertake those repairs and maintenance.

The Facility Master Plan shall include an STCIP. The STCIP shall be designed to address repairs and maintenance that Contractor deems necessary at the Concession Premises not

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identified as an Immediate Repair, to be completed within five (5) years of the Operational Date. All Improvements contemplated in the STCIP shall be owned by County notwithstanding Contractor's role in the planning, development or implementation of the STCIP.

5.3. Water System Upgrade.

The Parties acknowledge that County has undertaken an upgrade to the water system at LSRA. County shall continue with that upgrade at its sole expense. After the upgrade, Contractor shall be responsible for ongoing maintenance.

5.4. Compliance with the California Environmental Quality Act and the National Environmental Policy Act.

The Facility Master Plan is to be a planning document only and shall not constitute County's approval to undertake any Improvements that may be subject to CEQA or NEPA. Contractor must receive County's approval prior to undertaking Improvements that may be subject to CEQA or NEPA in order to satisfy the requirements of those laws.

ARTICLE 6. FINANCIAL OPERATIONS

6.1. Revenues and Expenses.

On or before the Operational Date, County shall pay to Contractor all Gross Revenue received for events occurring after the Operational Date, less expenses incurred by County for such events. In the event such expenditures exceed such revenues, Contractor shall reimburse County the difference. Contractor shall be responsible for all Operating Expenses and Capital Expenditures after the Operational Date, and the County shall have no obligation for such Operating Expenses or Capital Expenditures except expenses for the new pedestrian bridge and track resurfacing projects, and any outstanding amounts that are due and payable under the

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Agreement between Choura Events and County, effective on or about April 4, 2019, prior to the Operational Date, unless previously approved or subsequently agreed to in writing.

Prior to the Operational Date, County and Contractor shall mutually review and approve a detailed financial statement that delineates all revenue that County has received and expenses County has incurred for sponsorships, advertising, and sanctioning for the 2023 calendar year, all revenue and associated expenses from track rentals and spectator events, all Operating Expenses and Capital Expenditures for the 2023 calendar year that County is responsible for paying prior to the Operational Date, all taxes, assessments, permit fees, and licensing fees the County must pay, outstanding COWCAP charges, direct expenses charged to the Concession Premises, the balance of the Laguna Seca Enterprise Fund, any allocated, but unspent, funding or grant funds for future improvements at the Concession Premises, and the pro-rata distribution of any pre-paid Gross Revenue and Operational Expenses for the 2023 calendar year that are shared between County and Contractor. County shall be entitled to all revenue generated at the Concession premises prior to January 1, 2023, but not yet received.

6.2. Operating Expense Fund.

Prior to the Operational Date, Contractor shall establish the Operating Expense Fund at an appropriate financial institution, and shall make the initial deposit into that fund as described in Section 2.3.2. During the Term, all funds in the Operating Expense Fund shall be held in trust by Contractor for the benefit of LSRA, to be used solely and exclusively for the operations and maintenance of the Concession Premises and not Capital Expenditures. At all times, Contractor shall maintain a minimum of five million dollars ($5,000,000) in the Operating Expense Fund as the Operating Expense Reserve. The Operating Expense Reserve shall be used solely and

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exclusively to fund Operating Expenses during such time as Gross Revenue is insufficient to pay for such expenses, and shall be replenished as soon as Gross Revenue is sufficient to do so. Contractor shall submit to County a quarterly bank statements with applicable bank reconciliation showing the condition of the Operating Expense Fund.

6.3. Capital Expense Fund.

Prior to the Operational Date, Contractor shall establish the Capital Expense Fund at an appropriate financial institution, and shall make the initial deposit into that fund as described in Section 2.3.1. During the Term, all funds in the Capital Expense Fund shall be held in trust by Contractor for the benefit of LSRA, to be used solely and exclusively for Capital Expenditures as set forth in the Facility Master Plan. Contractor shall submit to County quarterly bank statements with applicable bank reconciliation, showing the condition of the Capital Expense Fund. Contractor covenants to annually deposit into the Capital Expense Fund a minimum of fifty percent (50%) of NOI.

6.4. Cash Handling.

At all times, Contractor shall maintain internal controls and implement best financial practices regarding the handling of cash and all financial transactions at the Concession Premises.

6.5. Records and Reports.

Contractor shall use Generally Accepted Accounting Principles ("GAAP") in keeping the financial records required pursuant to this Agreement. Contractor shall keep or cause to be kept full, complete, and proper books, records, and accounts of all Gross Revenue, Operating

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Expenses, Capital Expenditures and NOI relating to the Concession Premises. All such records shall be kept at the Concession Premises for at least seven (7) years after the expiration of the year for which the records are maintained. The County Representative shall have the right to examine Contractor's records at reasonable times upon forty-eight (48) hours' notice, and from time to time throughout the Term.

Contractor shall cause to be prepared audited financial statements as may be required by law, and, no later than six months following the end of each calendar year, Contractor shall provide such audited financial statements to County. In any calendar year for which an audited financial statement is not required by law to be prepared, no later than six months following the end of that calendar year, to Contract shall provide to County reviewed financial statements for that calendar year, from a reputable independent Certified Public Accountant (CPA), including a Statement of Financial Position, Statement of Activities, Statement of Cash Flow, and Statement of Functional Expenses. All reviews performed by independent entities shall be conducted by a licensed CPA in compliance with professional standards promulgated by the American Institute of Certified Public Accountants. Notwithstanding the foregoing, beginning for calendar year 2026, and for every three calendar years thereafter, no later than six months following the end of the relevant calendar year, Contractor shall provide to County audited financial statements for the prior calendar year whether or not such audited financial statements are required by law. County may request that Contractor provide audited financial statements more frequently than every three years for any calendar year for which an audited statement is not required by law. In such instance, County shall notify Contractor of the request no later than December 31 of the calendar year for which the audited financial statements are requested, County shall promptly

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reimburse Contractor for the cost of preparing the audited financial statements, and Contract shall be relieved of providing reviewed financial statements for that calendar year.

No later than the end of a month, Contractor shall provide to County copies of financial statements showing the status of the Operating Expense Fund and Capital Expense Fund for the prior month.

6.6. Taxes and Fees.

Contractor shall be responsible for all taxes, fees and assessments associated with its performance under this Agreement. This Agreement may create a possessory interest as defined in California Revenue and Taxation Code section 107, and subject to taxation. Contractor may be responsible for the payment of such tax, and County shall not be liable for the payment of any such tax. Contractor shall be solely responsible for the payment of all taxes, assessments and fees associated with or payable as a result of the exercise of its rights and obligations under this Agreement, and shall be responsible for filing all required reports with the State of California. Contractor shall create its own account with taxing agencies that collect sales tax, income tax and other required tax obligations. County shall terminate all its existing accounts unless otherwise advised by the taxing agencies.

6.7. Issuance of Debt; No Liens.

6.7.1. Contractor shall not secure any debt, loan or other financing with real property or improvements at the Concession Premises without the express written consent of County.

6.7.2. Contractor shall not enter into any unsecured debt which will exist beyond the Term.

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6.7.3 Contractor shall keep the premises free from any and all liens arising out of any work performed, materials furnished, or obligations incurred by Contractor during the term of this Agreement or any extension or renewal thereof.

6.8. Property Depreciation.

Contractor may not claim depreciation on real property, real property improvements existing or under construction as of the Operational Date, or Improvements at the Concession Premises without the express written consent of County; provided that Contractor shall retain all rights to depreciation deductions and tax credits arising from Contractor's ownership of any other assets that are not real property, real property improvements existing or under construction as of the Operational Date, County-owned Personal Property, or Improvements.

ARTICLE 7 COUNTY EVENTS

7.1. County reserves the right to hold events and utilize the Concession Premises in its entirety or in part, for example for officer or employee meetings and retreats, without a rental fee upon coordination with Contractor; provided, however, that County shall not utilize any portion of the Concession Premises during ticketed events and at any time or in any manner that may conflict with or otherwise adversely impact the use of the Concession Premises by or through Contractor. County shall be responsible for paying all of other costs of the event at retail value, including security, catering, entertainment, tables, chair, linens, or any other costs. Should County desire to hold an event for which an entrance fee will be charged, County will consult with Contractor and either 1) request Contractor to hold and manage the event pursuant to the terms of this Agreement, or 2) enter into a side agreement with Contractor whereby County will pay Contractor to manage the event.

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7.2. County warrants that the use of any portion of the Concession Premises pursuant to this Article 7 shall be solely for County purposes or business, and County shall not assign or sub-license such use to any other person or entity whatsoever; provided, however, that County may contract with vendors for the provision of services related to County purposes or business.

ARTICLE 8 INSURANCE AND INDEMNIFICATION

8.1. Contractor shall provide and maintain at all times insurance coverage for its operations at the Concession Premises as set forth in Exhibit D which insurance shall be primary and non-contributory to any insurance carried by County covering the Concession Premises. CONTRACTOR shall provide County with certificates of insurance or other satisfactory documentation which evidences that all insurance required under this Article 8 is in full force and effect, and County and its officers and employees shall be named as an additional insured on all such policies.

8.2. Contractor Indemnification Obligation.

Contractor shall indemnify, defend and hold harmless County and the United States of America, their officers, employees and agents, from and against Adverse Consequences resulting from, arising out of, relating to, in the nature of, or caused by (i) any act or omission of Contractor, its agents, contractors, employees, licensees or sub-concessionaires, except to the extent caused by the sole negligence or willful misconduct of County or the United States of America, their agents, contractors, employees or licensees, or (ii) any breach or default in the performance of any obligation of Contractor under the terms of this Agreement.

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8.3. County Indemnification Obligation.

County shall indemnify and defend Contractor against, and hold Contractor harmless from, any and all Adverse Consequences resulting from, arising out of, relating to, in the nature of, or caused by (i) any act or omission of County, its agents, contractors, employees, or licensees, except to the extent caused by the sole negligence or willful misconduct of Contractor, its agents, contractors, employees or licensees, or (ii) any liability of County, including any liability of County that becomes a liability of Contractor under any statutory or common law doctrine of de facto merger or successor liability, or any liability under Environmental, Health, and Safety Requirements, arising from conditions predating the Effective Date.

As used in this Agreement, "Environmental, Health, and Safety Requirements" means all federal, state, and local statutes, regulations, ordinances, and similar provisions having the force or effect of law, all judicial and administrative orders and determinations, and all common law concerning public health and safety, worker health and safety, pollution, or protection of the environment, including without limitation all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control, exposure to, or cleanup of any hazardous materials, substances, wastes, chemical substances, mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise, odor, mold, or radiation.

8.4. Matters Involving Third Parties.

8.4.1. If any third party shall notify any Party (the "Indemnified Party") with respect to any matter (a "Third Party Claim") which may give rise to a claim for indemnification against

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the other Party (the "Indemnifying Party") under this Article 8, then the Indemnified Party shall promptly notify the Indemnifying Party thereof in writing; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless (and then solely to the extent) the Indemnifying Party thereby is prejudiced by the delay.

8.4.2. The Indemnifying Party will have the right to defend the Indemnified Party against the Third Party Claim with counsel of its choice satisfactory to the Indemnified Party so long as (A) the Indemnifying Party notifies the Indemnified Party in writing within fifteen (15) days after the Indemnified Party has given notice of the Third Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against the entirety of any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Claim, (B) the Indemnifying Party provides the Indemnified Party with evidence acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third Party Claim and fulfill its indemnification obligations hereunder, (C) the Third Party Claim involves only money damages and does not seek an injunction or other equitable relief, (D) settlement of, or an adverse judgment with respect to, the Third Party Claim is not, in the good faith judgment of the Indemnified Party, likely to establish a precedential custom or practice adverse to the continuing business interests or the reputation of the Indemnified Party, and (E) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently.

8.4.3. So long as the Indemnifying Party is conducting the defense of the Third Party Claim in accordance with Section 8.4.2, above, (A) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim,

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(B) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (not to be withheld unreasonably), and (C) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (not to be withheld unreasonably).

8.4.4. In the event any of the conditions in Section 8.4.2, above, is or becomes unsatisfied, however, (A) the Indemnified Party may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Third Party Claim in any manner it reasonably may deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, the Indemnifying Party in connection therewith), (B) the Indemnifying Party will reimburse the Indemnified Party promptly and periodically for the costs of defending against the Third Party Claim (including reasonable attorneys' fees and expenses), and (C) the Indemnifying Party will remain responsible for any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Claim to the fullest extent provided in this Article 8.

8.5. Other Indemnification.

The foregoing indemnification provisions are in addition to, and not in derogation of, any statutory, equitable, or common law remedy (including without limitation any such remedy arising under Environmental, Health and Safety Requirements) any Party may have with respect to the utilization of the Concession Premises as contemplated in this Agreement.

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ARTICLE 9 AUDIT RIGHTS

Upon not less than fourteen (14) calendar days' prior written notice from County to Contractor, during normal business hours on days and times that Contractor reasonably approves to avoid significant disruption of Contractor's business and under reasonable circumstances (other than during Spectator Events), County has right to audit on an annual basis (i.e., once each year) the operations and finances of the Concession Premises and Contractor, at County's sole expense. Contractor acknowledges and agrees that County's Auditor – Controller has the independent right at any time to audit County assets and operations, and any such audit will be in addition to the annual audit set forth in this section. Contractor shall reasonably cooperate with County and the Auditor – Controller in any audit, and shall make available to County all records and access to facilities reasonably necessary for such audits. In performing any audit pursuant to this section, County shall not unreasonably interfere with Contractor's utilization and operation of the Concession Premises.

ARTICLE 10 PUBLIC ACCESS

10.1. The general public shall have access to LSRA on a continuous basis as prescribed by County parks policy and reasonable and customary use or entrance fees as presented to the County Representative pursuant to Section 4.14.

10.2 Except as provided in Section 10.3, below, neither Contractor, its members, officers or employees shall have special privileges regarding access to or the use of any facilities at the Concession Premises unless specifically approved by County's Board of Supervisors.

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10.3. Contractor may establish and implement one or more programs whereby Contractor's officers, directors or founders, donors, members, sponsors, Naming Rights entities, and/or volunteers are provided certain reasonable and customary benefits at the Concession Premises in recognition of their contribution to the success and improvement of the Concession Premises.

ARTICLE 11 COUNTY OVERSIGHT AND ACCESS

11.1. County's Board of Supervisors shall be allowed to appoint one Primary and one Alternate Supervisor to the Board in a non-voting capacity only. The appointed Supervisor shall otherwise participate fully in all matters involving the Board. County may change the appointed Supervisor annually, and, at County's sole discretion, change its appointee's status to full voting capacity.

11.2 County, through the Chief of Parks, shall designate in writing to Contractor a County Representative to act on behalf of County with respect to County's rights and obligations under this Agreement. County may remove and replace the County Representative at any time upon written notice to Contractor. The County Representative shall be the primary point of contact for Contractor with County, and upon request, shall have access to the books and records of Contractor relating to the Concession Premises, including contracts, sub-contracts, vendor agreements, facility access, financial records, policy discussions, sponsorship agreements, strategic planning, capital improvement planning and implementation, rental rates, Spectator Event agreements (collectively "Contractor's Books and Records"); provided that County acknowledges and agrees that the Contractor's Books and Records may contain certain information reasonably determined by Contractor to be confidential (the "Confidential Information") including, but not limited to, information concerning state and federal income tax returns and filing information, internal evaluations, and personnel files related to present and past

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employees of Contractor. Unless Contractor authorizes, the County Representative shall not make copies of, or otherwise remove from the Concession Premises, any Contractor's Books and Records. If Contractor claims that Contractor's Books and Records contain such Confidential Information that County desires to review, Contractor and County shall meet and confer regarding such information. After such consultation, Contractor shall determine whether such information shall be disclosed to County; however, County retains its rights to contest whether such information is Confidential Information that should be disclosed.

11.3. Contractor shall allow the County Representative to attend all meetings of the Board as an observer only. Contractor shall, upon request, give the County Representative, copies of all notices, minutes, consents and other materials, financial or otherwise, which the Contractor provides to its Board as they relate solely to Contractor's performance under this Agreement; provided, however, that Contractor reserves the right to exclude the County Representative from access to any material or meeting or portion thereof if Contractor believes in the good faith judgment of its Board that such exclusion is reasonably necessary to preserve the attorney-client privilege, to protect Confidential Information, or for other similar reasons. Contractor shall provide the County Representative with a written explanation as to why any matter is protected by the attorney-client privilege, is Confidential Information, or is protected for some other similar reason. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding, but County reserves its right to contest whether any matter is privileged or whether any information is Confidential Information. County agrees to hold in confidence and trust all Confidential Information and materials that it may receive, or be given access to, in connection with meetings of the Board pursuant to this Agreement, and not disclose to any third party, and shall cause its representative to do the same. Notwithstanding the

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foregoing, County may disclose such information to (a) its auditors and other professional advisors who are assisting it in overseeing Contractor's use of the Concession Premises, and County agrees to instruct each such party concerning the disclosure restrictions as set forth in this Agreement, and (b) where required to be disclosed pursuant to law, regulation, or by order of a court of competent jurisdiction; provided that County shall, to the extent reasonably practical under the circumstances, notify Contractor of the information to be disclosed and the circumstances in which the disclosure is required prior to disclosure so that Contractor may seek a protective order or other appropriate remedies. Contractor shall defend, indemnify and hold harmless County from any claim or lawsuit contending that such Confidential Information, or information protected by the attorney-client privilege or for some other reason, is required to be disclosed by Contractor to County under this Agreement or applicable law, and subsequently required to be disclosed by County pursuant to The California Public Records Act.

11.4 The County Representative shall communicate with a single point of contact and alternative that is designated from time to time by Contractor. The initial single point of contract for Contractor shall be John Narigi of A&D Narigi Consulting, LLC.

ARTICLE 12 DEFAULT AND REMEDIES

12.1. Event of Default. It shall be an event of default under this Agreement if a Party fails to perform or observe any Material Agreement, Term, Covenant or Condition of this Agreement in any substantial respect and if such performance, nonperformance, or nonobservance continues for a period of thirty (30) days after written notice thereof by the non-defaulting Party to the defaulting Party or, if such performance or observance cannot be performed within such 30-day period, then if the defaulting Party has not in good faith commenced such performance or observance within such 30-day period and does not diligently and in good faith proceed

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therewith to completion, the non-defaulting Party can either perform the act or observance itself and claim reasonable compensation from the defaulting Party or terminate this Agreement. In addition, the terminating Party shall have all remedies now or later allowed by law or in equity. Notwithstanding anything to the contrary in this Agreement, the Parties agree that in the event of default by a Party hereunder, there shall be absolutely no personal liability of any person, firm or entity who or which is an officer, employee or agent of the defaulting Party, and the non-defaulting Party shall look solely to the assets (including insurance) and properties of the defaulting Party for the satisfaction of each and every remedy of the non-defaulting Party for such default arising under this Agreement or otherwise by law, except in the case of fraud or actual malice on the part of any person, firm or entity who or which is an officer, employee or agent of the defaulting Party, in which case the non-defaulting Party may pursue each and every remedy regarding such person, firm or entity.

Contractor acknowledges that the Concession Premises, and all personal property thereon, is subject to the possibility of reversion with improvements without compensation by the United States of America should there be a Material Breach by County or Contractor or for not adhering to the covenants and agreements set forth herein.

ARTICLE 13 DAMAGE OR DESTRUCTION

13.1. If the whole or any part of the buildings and improvements within the Concession Premises are damaged or destroyed by fire, or by any other cause whatsoever, Contractor shall forthwith proceed to restore the same (subject to changes necessary to comply with then existing laws applicable thereto and any changes in design approved by Contractor and County).

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Contractor shall be entitled to all proceeds of property insurance and right of recovery against insurers on policies covering such damage or destruction.

13.2. Notwithstanding anything to the contrary contained in this Agreement, if the whole or any part of the buildings and improvements within the Concession Premises are wholly or partially damaged or destroyed within two (2) years of the Termination Date, then Contractor need not restore the same and Contractor shall, at the request of County, demolish the damaged or destroyed buildings and improvements and remove all debris from the Concession Premises, and County shall be entitled to all proceeds of insurance and right of recovery against insurers on policies covering such damage or destruction, less amounts paid or incurred by Contractor in connection with such damage or destruction.

13.3. Should the Concession Premises be damaged or destroyed, in whole or in part, during a declared local, state or national emergency, the Parties shall reasonably cooperate to obtain available reimbursement for eligible expenses from the Federal Emergency Management Agency, or other source. Contractor shall cooperate with County in seeking or obtaining such reimbursement for expenses incurred during a local, state or national emergency declared prior to the Operational Date.

ARTICLE 14 BANKRUPTCY AND DISSOLUTION

This Agreement shall automatically terminate if: 1) Contractor shall make an assignment for the benefit of creditors, file a voluntary petition for bankruptcy, or initiate a State court action for appointment of a receiver; 2) a proceeding in bankruptcy or for appointment of a receiver is commenced against Contractor in any Federal or State court, unless the same is dismissed within thirty (30) days; or 3) Contractor files for dissolution with the State of California. In all such

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cases, the termination shall become effective as of the filing of such petition, the appointment of such receiver or trustee or the commencing of such court action, or the filing of the request for dissolution, whichever occurs first and, immediately upon such termination, all rights hereunder shall revert to County.

ARTICLE 15 EFFECT OF TERMINATION

15.1. At the expiration or sooner termination of this Agreement;

15.1.1. All real property and Improvements shall remain owned by County.

15.1.2. Contractor shall negotiate in good faith for County's acquisition of tangible personal property owned by Contractor and used exclusively in the operation and management of the Concession Premises.

15.1.3. Contractor shall, within thirty (30) days of the Termination Date, satisfy and pay all debts and expenses arising prior to or existing as of the Termination Date, and provide County with a reconciliation of the Operating Expense Fund and Capital Expense Fund.

15.1.4. All Gross Revenue, including all funds in the Operating Expense Fund that have been generated by events at the Concession Premises, that remains unspent and in the possession of Contractor following the satisfaction of the provisions of Section 15.1.3, above shall be transferred to County, and such funds remaining in the Capital Expense Fund generated from events at the Concession premises shall also be transferred to County, all to be deposited in the Laguna Seca Enterprise Fund. Funds in the Operating Expense Fund or Capital Expense Fund provided by third parties or donors shall be conveyed by Contractor to the Laguna Seca Foundation; if such Foundation is not in existence at such time, all such funds shall be

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transferred to the County to be deposited in the Laguna Seca Enterprise Fund. Contractor shall keep detailed records of the source of funds in the Operating Expense Fund and Capital Expense Fund for this purpose.

15.1.5 The obligations set forth in this Article 15 shall survive the expiration or sooner termination of this Agreement.

ARTICLE 16 REPRESENTATIONS AND WARRANTIES

16.1. Contractor Representations and Warranties.

Contractor represents and warrants to County that the following statements are true and correct as of the Effective Date: 1) Contractor is lawfully formed and operating under federal, state and local law; 2) Contractor has access to financial resources to satisfy the conditions precedent set forth in Section 2.3; and 3) there is no legal or regulatory proceeding or final judgement against Contractor, it officers, employees or agents that will prevent Contractor from commencing and undertaking its obligations hereunder.

16.2. County Representations and Warranties.

County represents and warrants to Contractor that the following statements are true and correct as of the Effective Date: 1) County is the holder of a fee simple interest in the Concession Premises free and clear of all encumbrances except for any encumbrance of record and those matters described in section 2.1, above, and no other person or entity has any right, title or interest in or to the Concession Premises or any portion thereof; 2) Subject to the terms of the Army Deed and Use Permit, and pursuant to the historical usage of the Concession Premises, County has full right and lawful authority to execute and perform this Agreement for the Term,

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in the manner, and upon the conditions and provisions herein contained; and 3) subject to the terms of the USA Deed and Use Permit there is no legal impediment to the utilization of the Concession Premises as a public park and recreation facility consistent with its approved Program of Utilization.

ARTICLE 17 MISCELLANEOUS PROVISIONS

17.1. Complete Agreement.

The foregoing constitutes the full and complete agreement regarding the Concession. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

17.2. Amendment.

This Agreement may be amended from time-to-time by mutual consent of the Parties. Such amendments may only be in the form of a writing signed by each of the Parties. No amendment shall be effective without written concurrence by the Secretary of the Interior or his/her delegated representative, NPS.

17.3. Successors and Assigns.

This Agreement and the Concession, and the rights and duties of Contractor hereunder, may not be assigned or delegated without the prior express written consent of County and the National Park Service, Federal Lands to Parks Program. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void, grounds for possible termination of this Agreement and possible reversion to the United States of America. Any

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assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of the USA Deed, the NPS approved Program of Utilization, Use Permit, historical use under prior Concession Premises management arrangements, any contracts then in effect regarding the Concession Premises, and other ordinances or resolutions of County then in effect.

17.4 Compliance with Governmental Laws and Regulations.

Contractor shall comply with all applicable rules, regulations, ordinances, statutes and laws of all county, municipal, state, federal and other governmental authorities, now or hereafter in effect pertaining to the Concession Premises or Contractor's use of the Concession Premises that could include, but not be limited to, CEQA, NEPA, the California Public Records Act, and laws applicable to County for the development or construction of works of public improvement and the letting of contracts for Improvements. Contractor may request the use of County services and County's Job Order Contracting process as may be appropriate or necessary; however, Contractor shall be responsible for all costs associated with such use, including County staff time and expenses. Contractor shall comply with all regulations of the Monterey Bay Air Resources District regarding the storage and dispensing of vehicle fuel at the Concession Premises, and shall maintain any required permit for such storage and dispensing. Contractor shall pay all costs of compliance which are required as a result of or in connection with any act or omission of Contractor or activity of Contractor at the Concession Premises, including, without limitation and if applicable, laws applicable to County for the development or construction of works of public improvement and the letting of contracts for Improvements. Without limiting County's discretion as the owner of the Concession Premises and as the governmental entity with regulatory authority, County will cooperate and coordinate with Contractor to process and approve, in the most expedient manner reasonably practicable, permits and other approvals

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necessary or desirable to facilitate the improvement and use of the Concession Premises as contemplated in this Agreement.

17.5 Future Constraints on Use.

If for any reason other than the fault of either Party, a final adjudication (i.e., not subject to further appeal) by a governmental agency with jurisdiction (including regulatory agencies and courts of law) shall prohibit or negatively impact the utilization of the Concession Premises as contemplated in this Agreement, including, but not limited to the uses of the Concession Premises allowed under the USA Deed and Use Permit, then the Parties shall negotiate in good faith regarding the impact of the constraints. If the Parties cannot agree on any modification of this Agreement that addresses the impact of such constraints, Contractor may terminate this Agreement by notifying County within ninety (90) days following receipt of notice of the finality of such adjudication. Both Parties shall, in good faith, fully cooperate and participate in all available proceedings and exhaust all reasonable avenues relating to the prohibition of such use, and shall diligently contest any litigation or other proceeding the object of which is to prohibit such use.

17.6. Dispute Resolution.

In the event there are disputes and/or controversies relating to the interpretation, construction, performance, termination, breach of, or withdrawal from this Agreement, the Parties shall in good faith meet and confer within twenty-one (21) calendar days after written notice has been sent to the Disputing party. In the event that the Parties are not able to resolve the dispute through informal negotiation, the Parties agree to submit such dispute to formal mediation before litigation. If the Parties cannot agree upon the identity of a mediator within ten (10) business

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days after a Party requests mediation, then the Parties shall each select a mediator and those two mediators will select a third mediator to mediate the dispute. The Parties shall share equally in the cost of the mediator or mediators who ultimately mediate the dispute, but neither Party shall be entitled to collect or be reimbursed for other related costs, including but not limited to attorneys' fees.

If mediation proves unsuccessful, the Parties agree all remaining disputes shall be submitted to JAMS for binding arbitration. If a JAMS neutral served as mediator, the same neutral may serve as arbitrator unless either Party objects when the arbitration matter is first set by JAMS. The California Arbitration Act at California Code of Civil Procedure Section 1280 et seq. and the JAMS Employment Arbitration Rules and Procedure then in effect shall govern arbitration hereunder. The arbitration shall be conducted in California. The Parties shall split the cost of the arbitration, including all administrative fees and costs of arbitration, provided that each Party shall pay its respective attorneys' fees. Each Party may be represented by legal counsel. The Parties shall be allowed adequate discovery. The arbitrator shall issue a written decision explaining the reasons for his/her award. The decision and award of the arbitrator shall be final and binding on the Parties. The arbitrator shall not have the power to commit errors of law, fact, or legal reasoning, and the award may be vacated or corrected on appeal to a court of competent jurisdiction for any such error. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

17.7. Execution in Parts or Counterparts; Electronic Signatures.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered

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as constituting one complete original and may be attached together when executed by the Parties. Facsimile or electronic signatures shall be binding. This Agreement may also be executed by electronic signature via DocuSign only.

17.8. Party Authorization.

The governing bodies of the Parties have each authorized execution of this Agreement, as evidenced by their respective signatures below.

17.9. No Predetermination or Irrevocable Commitment of Resources.

Nothing herein shall constitute a determination by County or Contractor that any action shall be undertaken or that any unconditional or irrevocable commitment of resources shall be made until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

17.10. Notices.

Any notice pursuant to this Agreement shall be given in writing by a Party or its legal representative by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, (d) legible facsimile transmission, or (e) electronic mail or other electronic means sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance with this Section, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first

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attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission or electronic mail, as of the date of the facsimile or electronic transmission (or next business day if transmitted on a day other than a business day). Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

For County:	For CONTRACTOR:
County Administrative Officer 168 W. Alisal Street, 3rd Floor Salinas, CA 92101 e-mail: facsimile:	Friends of Laguna Seca c/o Ross Merrill 18900 Portola Drive Salinas, CA 93908 e-mail: ross@merrillfarms.com facsimile: (831) 424-0447
Copy to:	Copy to:
County Counsel 168 W. Alisal Street, 3rd Floor Salinas, CA 92101 e-mail: facsimile:	Jason Retterer, Esq JRG Attorneys at Law 318 Cayuga St. Salinas, CA 93908 e-mail: jason@jrgattorneys.com facsimile: (831) 754-2444

17.11. Severability and Validity of Agreement.

Should any part, term or provision of this Agreement be decided by a court of law to be illegal, in excess of a Party's authority, in conflict with any law of the State, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby, and each Party hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

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17.12. Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

17.13. Captions.

The headings and titles to the section of this Agreement are not a part of this Agreement, are for convenience of reference only, and shall have no effect upon the construction or interpretation of any part of this Agreement.

17.14. Applicable Law.

The laws of the United States, and the State of California shall govern the validity, performance and enforcement of this Agreement.

17.15. Excusable Delay.

Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform, shall excuse the performance by such Party for a period equal to any such prevention, delay or stoppage.

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17.16. Tense, Number, and Gender.

Each number, tense and gender used in this Agreement shall include any other tense, number or gender where the context and references so require. Any pronoun herein shall be read in such gender as the context may require.

17.17. Recordation.

Upon written request of either County or Contractor, County and Contractor shall execute and record this Agreement or any memorandum of this Agreement which may thereafter be recorded in the Official Records of Monterey County.

17.18. Survival.

The obligations of County and Contractor under this Agreement shall survive the expiration or other termination of this Agreement, to the extent applicable following such expiration or termination, and shall remain in effect until fulfilled. This covenant specifically includes, without limitation, each indemnity obligation set forth herein.

17.19. Exhibits Incorporated.

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by reference as though fully set forth herein.

17.20. Further Assurances.

Each Party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Effective Date, as may

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be reasonably requested by the other Party to consummate more effectively the purposes or subject matter of this Agreement.

17.21. No Third-Party Beneficiary.

The provisions of this Agreement are and will be for the benefit of County and Contractor only and are not for the benefit of any third-party, and accordingly, no third-party shall have the right to enforce the provisions of this Agreement.

17.22. Construction.

The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

17.23. Calculation of Time Periods.

In computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of California, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5 P.M., California time, unless otherwise specified herein. As used in this Agreement, the term "business day" shall mean a calendar day that is not a Saturday, Sunday, or legal holiday under the laws of the State of California.

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17.24. County's Police Power.

Nothing in this Agreement shall alter in any way County's rights or duties as a governmental agency with jurisdiction over the Concession Premises to act in the manner otherwise permitted or required under applicable laws for the health, safety and general welfare of the public.

17.25. Surrender at End of Term.

At the expiration or sooner termination of this Agreement, Contractor shall (i) remove its personal property, furniture, fixtures and equipment and shall surrender the Concession Premises to County, (ii) negotiate in good faith with County the acquisition by County at fair market value of all personal property assets owned by Contractor and used exclusively in connection with Contractor's utilization of the Concession Premises, (iii) at County's option, assign to County all advertising, sponsorship and event sanctioning agreements as contemplated in Section 4.19. All alterations, additions and improvements to the Concession Premises including intellectual property and all rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions shall inure to the benefit of, and be owned by, County.

Upon the expiration or earlier termination of this Agreement, Contractor shall surrender the Concession Premises to County in as good or better condition as it was in at the time of execution of the Agreement, ordinary wear excepted.

17.26. Waivers.

Failure of either Party to complain of any act or omission on the part of the other Party, no matter how long the same may continue, shall not be deemed to be a waiver by said Party of any

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of its rights hereunder except to the extent that passage of time constitutes an express waiver under any other provision of this Agreement. No waiver by either Party at any time, express or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by either Party shall require the consent or approval of the other Party, the other Party's consent to or approval of such action shall not be unreasonably withheld, conditioned or delayed except as may be otherwise specifically provided in this Agreement, and consent or approval on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either Party may have under this Agreement or at law or in equity shall be cumulative, and shall not be deemed inconsistent with each other; no one of them, whether exercised or not, shall be deemed to be an exclusion of any other, and any or all of such rights and remedies may be exercised at the same time.

17.27. Time of the Essence.

Time is of the essence of this Agreement and of each and every one of the provisions contained herein.

17.28 Use of Laguna Seca Enterprise Fund.

Notwithstanding anything to the contrary in this Agreement, provided that the funds in the Laguna Seca Enterprise Fund are used by County solely for charges and obligations of County with respect to the Concession Premises as contemplated in this Agreement, any financial obligations of County under this Agreement shall be charges only against the Laguna

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Seca Enterprise Fund and shall not, without the written concurrence of County, be charges against or obligations of County's General Fund or other funds.

17.29 Non-Discrimination.

County and Contractor agree to comply with all Federal laws relating to nondiscrimination in connection with any use, operation, program, or activity on or related to the previously described property, including, but not limited to:

All requirements imposed by or pursuant to the non-discrimination regulations of the U.S. Department of Interior (43 C.F.R. Part 17).

Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d-1), which prohibits discrimination on the basis of race, color, or national origin.

The Age Discrimination Act of 1975, as amended (42 U.S.C. §6101 et. seq.), which prohibits discrimination on the basis of age.

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability.

The Architectural Barriers Act of 1968, as amended (42 U.S.C. 4151), which requires facilities located on the property to be accessible to the physically disabled; and

The Americans with Disabilities Act of 1990 (42 U.S.C. 12181), which requires that no otherwise qualified handicapped individual shall, solely by reason of his or her handicap, be excluded from the participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

Executive Order 13672 which prohibits discrimination on the basis of sex, sexual orientation, or gender identity.

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17.30 Acknowledgment.

This Agreement and the obligations of the Parties hereto are subject to the terms and conditions of the USA Deed and the current Program of Utilization which govern the use of the property. Violations of the said terms and conditions may be grounds for reversion to the United States of America, at its discretion and termination of this Agreement. Contractor owned personal and real property improvements associated with the real property, may be subject to seizure, without compensation, by the USA.

COUNTY OF MONTEREY

DocuSigned by:

By _____
81EEA756FC27400...

Luis Alejo
Chair, Board of Supervisors

12/19/2023 | 3:21 PM PST

Dated: December ___, 2023

APPROVED AS TO FORM

_____
Leslie J. Girard
County Counsel

Note: July 25, 2023 Concession restated to include edits required by National Park Service.

FRIENDS OF LAGUNA SECA

By _____

Ross Merrill
President

Dated: December ___, 2023

By _____

Bruce Canepa
Vice-President

17.30 Acknowledgment.

This Agreement and the obligations of the Parties hereto are subject to the terms and conditions of the USA Deed and the current Program of Utilization which govern the use of the property. Violations of the said terms and conditions may be grounds for reversion to the United States of America, at its discretion and termination of this Agreement. Contractor owned personal and real property improvements associated with the real property, may be subject to seizure, without compensation, by the USA.

COUNTY OF MONTEREY

By_____
Luis Alejo
Chair, Board of Supervisors

Dated: December ___, 2023

APPROVED AS TO FORM

_____
Leslie J. Girard
County Counsel

Note: July 25, 2023 Concession restated to include edits required by National Park Service.

FRIENDS OF LAGUNA SECA

By_____
Ross Merrill
President

Dated: December 22, 2023

By_____
Bruce Canepa
Vice-President

EXHIBIT A

Portion, Fort Ord
Military Reservation (Laguna Seca)
D-Calif-500J (Parcel I)

REC 944 PAGE 1077

QUITCLAIM DEED

THE UNITED STATES OF AMERICA, acting by and through the Secretary of the Interior, acting by and through the Director, Bureau of Outdoor Recreation, under and pursuant to the power and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 337), as amended, and particularly as amended by Public Law 485, 91st Congress, and regulations and orders promulgated thereunder (hereinafter designated "Grantor"), for and in consideration of the perpetual use of the hereinafter described premises as and for public park and public recreation area purposes, by the County of Monterey, California (hereinafter designated "Grantee"), does hereby release and quitclaim to Grantee, and to its successors and assigns, all Grantor's right, title and interest in and to the following described property located in Monterey County and consisting of approximately 559.016 acres:

Situate in Rancho Laguna Seca, Rancho El Chamisal and Monterey City Lands Tract No. 1, County of Monterey, State of California more particularly described as follows:

Beginning at a found concrete monument with a brass disc stamped, "Geo. C. Bestor L.S. 2369 Property Corner F.B. - U. S. A." said concrete monument having established grid coordinates of X=1,189,073.458, Y=467,100.419, of Zone 4 of the California Grid System, as said monument is shown and so designated on that certain map entitled, "Licensed Surveyors Map Showing Establishment of Certain Monuments on the Boundary of Fort Ord Military Reservation---", filed for record June 15, 1953, in Volume 5 of Surveys at Page 2, records of Monterey County, California, said monument replacing a 4" x 4" post marked "MAF-SJF" standing at the northwest corner of that certain 563.19 acre tract of land designated as "Area No. 7, Tract No. 1" in that certain Decree of Judgement No. 22049-G, United States of America vs. Hermit Panziera, et al, dated February 4, 1943 and recorded in Volume 791, Official Records, at Page 18, records of Monterey County, California; said monument also standing on the northerly boundary of Rancho Laguna Seca, from which a 6" x 14" granite monument scribed M14LS10 standing at the most northerly corner of said Rancho Laguna Seca bears N. 79° 30' 57" E., a distance of 2950.37 feet; thence from said place of beginning and leaving the northerly boundary of said Rancho Laguna Seca:

1) N. 14° 33' 21" E., 286.85 feet to a 1" iron pipe; thence
2) N. 26° 35' 26" E., 273.06 feet to a 1" iron pipe; thence
3) S. 61° 11' 31" E., 237.78 feet to a 1" iron pipe; thence
4) S. 71° 10' 40" E., 268.71 feet to a 1" iron pipe; thence
5) S. 85° 20' 28" E., 166.03 feet to a 1" iron pipe; thence
6) N. 80° 28' 07" E., 259.69 feet to a 1" iron pipe; thence
7) N. 80° 18' 48" E., 279.65 feet to a 1" iron pipe; thence
8) N. 80° 27' 22" E., 327.89 feet to a 1" iron pipe; thence
9) N. 44° 48' 05" E., 154.63 feet to a 1" iron pipe; thence
10) N. 16° 38' 58" E., 113.06 feet to a 1" iron pipe; thence
11) N. 6° 42' 57" E., 87.09 feet to a 1" iron pipe; thence

12) N. 6° 07' 49" W., 64.73 feet to a 1" iron pipe; thence
13) N. 19° 14' 26" E., 68.64 feet to a 1" iron pipe; thence
14) N. 25° 59' 57" E., 208.90 feet to a 1" iron pipe; thence
15) N. 31° 07' 31" E., 153.17 feet to a 1" iron pipe; thence
16) N. 42° 13' 20" E., 55.40 feet to a 1" iron pipe; thence
17) N. 53° 35' 29" E., 73.17 feet to a 1" iron pipe; thence
18) N. 57° 11' 36" E., 274.52 feet to a 1" iron pipe; thence
19) N. 75° 03' 15" E., 69.70 feet to a 1" iron pipe; thence
20) S. 77° 30' 44" E., 195.19 feet to a 1" iron pipe; thence
21) N. 60° 13' 48" E., 233.83 feet to a 1" iron pipe; thence
22) N. 67° 40' 19" E., 338.26 feet to a 1" iron pipe; thence
23) N. 72° 49' 16" E., 333.06 feet to a 1" iron pipe; thence
24) N. 12° 43' 36" W., 488.02 feet to a 1" iron pipe; thence
25) N. 28° 26' 41" E., 177.25 feet to a 1" iron pipe; thence
26) N. 55° 05' 49" E., 279.81 feet to a 1" iron pipe; thence
27) N. 2° 33' 43" E., 404.99 feet to a 1" iron pipe; thence
28) N. 0° 39' 28" E., 123.71 feet to a 1" iron pipe; thence
29) N. 70° 58' 48" E., 767.79 feet to a 1" iron pipe; said 1" iron pipe having established grid coordinates of X=1,193,459.685, Y=470,426.916, of Zone 4 of the California Grid System; thence from said pipe
30) S. 20° 36' 54" E., 746.20 feet to a 1" iron pipe; thence
31) S. 11° 32' 15" W., 1406.62 feet to a 1" iron pipe; thence
32) S. 31° 53' 44" W., 336.35 feet to a 1" iron pipe; thence
33) S. 19° 31' 29" E., 119.45 feet to a 1" iron pipe; thence
34) N. 52° 20' 56" E., 133.33 feet to a 1" iron pipe; thence
35) N. 48° 04' 03" E., 230.44 feet to a 1" iron pipe; thence
36) N. 78° 57' 32" E., 775.89 feet to a 1" iron pipe; thence
37) S. 46° 39' 13" E., 326.18 feet to a 1" iron pipe; thence
38) S. 64° 04' 14" W., 247.29 feet to a 1" iron pipe; thence
39) S. 56° 15' 40" W., 99.46 feet to a 1" iron pipe; thence
40) S. 30° 59' 07" W., 196.51 feet to a 1" iron pipe; thence
41) S. 54° 24' 54" W., 371.44 feet to a 1" iron pipe; thence
42) S. 75° 54' 37" W., 133.70 feet to a 1" iron pipe; thence
43) S. 51° 50' 19" W., 288.51 feet to a 1" iron pipe; thence
44) S. 15° 25' 49" W., 249.42 feet to a 1" iron pipe; thence
45) S. 5° 45' 37" W., 339.06 feet to a 1" iron pipe; thence
46) S. 2° 01' 43" E., 630.64 feet to a 1" iron pipe; thence
47) S. 9° 43' 07" E., 306.35 feet to a 1" iron pipe; thence
48) S. 41° 44' 55" W., 482.27 feet to a 1" iron pipe; thence
49) S. 7° 15' 58" W., 297.97 feet to a 1" iron pipe; thence
50) S. 12° 30' 56" E., 238.61 feet to a 1" iron pipe; thence
51) S. 16° 11' 57" E., 105.12 feet to a 1" iron pipe; thence
52) S. 86° 31' 54" W., 434.46 feet to a 1" iron pipe; thence
53) S. 65° 22' 33" W., 326.78 feet to a 1" iron pipe; thence
54) N. 80° 52' 22" W., 144.26 feet to a 1" iron pipe, from which a California Division of Highways triangulation monument stamped, "Laguna 1972" bears N. 88° 20' 03" E., 60.01 feet distant, said triangulation monument having established grid coordinates of X=1,192,396.820, Y=464,716.440, of Zone 4 of the California Grid System; thence from said 1" iron pipe
55) N. 76° 55' 25" W., 993.40 feet to a 1" iron pipe; thence
56) S. 24° 12' 56" W., 617.85 feet to a 1" iron pipe; thence
57) S. 32° 01' 24" W., 158.76 feet to a 1" iron pipe from which a 2" brass disc in an iron pipe stamped PM#WL bears N. 23° 09' 31" W., 42.05 feet distant, said brass disc having established grid coordinates of X=1,191,014.93, Y=464,280.32, of Zone 4 of the California Grid System; thence from said 1" iron pipe
58) N. 84° 51' 43" W., 898.21 feet to a 1" iron pipe; thence
59) S. 45° 08' 30" W., 223.29 feet to a 1" iron pipe; thence

60) S. 30° 09' 49" W., 459.04 feet to a 1" iron pipe; thence
61) S. 18° 27' 24" W., 594.60 feet to a 1" iron pipe; thence
62) S. 31° 47' 21" W., 395.29 feet to a 1" iron pipe; thence
63) S. 28° 14' 49" W., 197.00 feet to a 1" iron pipe; thence
64) S. 15° 19' 47" E., 102.80 feet to a 1" iron pipe; thence
65) S. 39° 29' 13" E., 380.63 feet to a 1" iron pipe; thence
66) S. 73° 01' 35" E., 366.68 feet to a 1" iron pipe; thence
67) S. 81° 34' 13" E., 212.57 feet to a 1" iron pipe; thence
68) S. 61° 50' 07" E., 149.04 feet to a 1" iron pipe; thence
69) S. 35° 08' 42" E., 216.01 feet to a found 4" x 4" post standing on the northerly boundary of the right of way of the Salinas-Monterey State Highway; thence along said northerly boundary of said State Highway
70) Northwesterly on the arc of a curve to the left (the center of which bears S. 12° 20' 19" W., 5040.00 feet distant) through a central angle of 6° 44' 38" for an arc distance of 593.24 feet to a 1" iron pipe set in a 4" x 4" remains; thence
71) N. 84° 24' 19" W., 2499.18 feet to a 1" iron pipe, from which a 4" x 4" post remains standing on the southerly boundary of the Salinas-Monterey State Highway bears S. 5° 35' 41" W., 80.00 feet distant; thence
72) Westerly on the arc of a circular curve to the left (the center of which bears S. 5° 35' 41" W., 1540.00 feet distant) through a central angle of 13° 08' 42" for an arc distance of 353.31 feet to the westerly boundary of the aforesaid 563.19 acre tract of land; thence leaving the northerly boundary of the Salinas-Monterey State Highway and along the westerly boundary of the aforesaid 563.19 acre tract of land
73) N. 23° 55' 57" E., 5311.25 feet (Judgement #22049-G=N. 21° 45' 30" E., 5293.51 feet) to the point of beginning.

Containing an area of 559.016 acres.

Bearings and distances used hereinabove are based on the California Coordinate System Zone 4; Multiply Distances by 1.0000970 to obtain ground level distances.

Excepting therefrom: Barloy Canyon Road and Old South Boundary Road; and such other roads as marked in yellow on Drawing No. H-254 (Exhibit "E") attached to "Report of Excess Real Property No. SPKRE-151," dated December 20, 1972 and on file with the General Services Administration, San Francisco, California; such roads to be retained by the Department of the Army to provide access to the retained areas of the Fort Ord Military Reservation and to facilitate firefighting. These roads will be available for joint use with others subject to agreements for joint maintenance based on the extent of use by parties involved.

Subject to: A highway easement, to be granted to the State of California by the United States of America, acting by and through the Secretary of Transportation, acting by and through the Administrator, Federal Highway Administration, for the future construction and maintenance of proposed State Highway 68 (California Federal Aid Primary 36) as generally shown on that map entitled "Land Use Study -- Laguna Seca Recreation Area" prepared by the Monterey County Parks Department, June 1973; said map being an integral part of the Grantee's "Program of Utilization" submitted to the Bureau of Outdoor Recreation with Grantee's "Application for Federal Surplus Property for Public Park and

Recreation Purposes," dated July 3, 1973; said easement being more particularly described as follows:

That part of the Rancho Laguna Seca in the County of Monterey, State of California, described as follows:

Beginning on the boundary of Port Ord Military Reservation, distant N. 23° 55' 57" E., 650.00 feet along said boundary from a 6" x 6" concrete monument with brass cap stamped "MAR-USA" at the intersection of said boundary with the northerly line of the Monterey-Salinas Highway as said monument and boundary are shown on the map filed in Volume 5 of Surveys at page 2, records of said County; thence (1), N. 72° 18' 15" E., 789.80 feet; thence (2), S. 88° 34' 07" E., 1525.20 feet; thence (3), S. 31° 47' 21" W., 205.29 feet; thence (4), S. 28° 14' 49" W., 197.00 feet; thence (5), S. 15° 19' 47" E., 102.80 feet; thence (6), S. 39° 29' 13" E., 100.00 feet; thence (7), N. 83° 18' 24" W., 1308.03 feet; thence (8), S. 74° 59' 05" W., 1108.10 feet to a point on said boundary distant northerly along said boundary 150.00 feet from said monument; thence (9), along said boundary, N. 23° 55' 57" E., 500.00 feet to the point of beginning.

Bearings and distances used herein are based on the California Coordinate System Zone 4.

Said highway easement is to be granted subject to, but not limited to, the following conditions:

1. The Monterey County Parks Department shall approve provisions for access to the Laguna Seca Recreation Area from the freeway and for adequate access under the freeway between the upper park areas and the lower pond areas near the existing highway.

2. The Monterey County Parks Department shall approve final design plans for the freeway including the application of appropriate scenic standards to insure compatibility with the park atmosphere of the Laguna Seca Recreation Area.

3. The Monterey County Parks Department shall have use of the subject highway easement for park and recreation purposes until such time as highway construction commences.

4. Any portion of the subject highway easement subsequently determined to be not needed for highway purposes shall be conveyed to the County of Monterey for park and recreation purposes subject to the terms and conditions applicable to the Laguna Seca Recreation Area.

5. If construction of said State Highway 68 within subject easement does not commence within 10 years from the date of conveyance of this highway easement, then said highway easement shall immediately terminate and be of no further force or effect.

To Have and to Hold the hereinbefore described property, subject to the reservations, exceptions, restrictions, conditions and covenants herein expressed and set forth unto the Grantee, its successors and assigns, forever.

The hereinbefore described property is granted by the Grantor to the Grantee subject to any and all outstanding easements for streets, utility systems, rights-of-way, railroads, pipelines, and/or covenants, restrictions, reservations, conditions, and agreements of record which now exist affecting the foregoing described premises.

The Grantor expressly excepts and reserves all oil, gas, and mineral rights and deposits in said land to the Grantor or to such person(s) as may be authorized by the Grantor to prospect, mine, and remove such deposits from the hereinbefore described property under applicable laws.

Pursuant to authority contained in the Federal Property and Administrative Services Act of 1949, as amended, and applicable rules, regulations and orders promulgated thereunder, the General Services Administration determined the property to be surplus to the needs of the United States of America and assigned the property to the Department of the Interior for conveyance to the Grantee.

It is Agreed and Understood by and between the Grantor and Grantee, and the Grantee by its acceptance of this deed, does acknowledge its understanding of the agreement, and does covenant and agree for itself, and its successors and assigns, forever, as follows:

1. This property shall be used and maintained for the public purposes for which it was conveyed in perpetuity as set forth in the program of utilization and plan contained in the application, submitted by the Grantee on July 3, 1973, which program and plan may be amended from time to time at the request of either the Grantor or Grantee, with the written concurrence of the other party, and such amendments will be added to and become a part of the original application.

2. The Grantee agrees to construct new boundary fencing, including appropriate gates, around subject property to the specifications and satisfaction of the Department of the Army; such boundary fencing to become the property of the Fort Ord Military Reservation, which will have responsibility for normal maintenance of said fencing.

3. The Grantee shall, within 6 months of the date of the deed of conveyance, erect and maintain a permanent sign or marker near the point of principal access to the conveyed area indicating that the property is a park or recreation area and has been acquired from the Federal Government for use by the general public.

4. The property shall not be sold, leased, assigned, or otherwise disposed of except to another eligible governmental agency that the Secretary of the Interior agrees in writing can assure the continued use and maintenance of the property for public park or public recreational purposes subject to the same terms and conditions in the original instrument of conveyance. However, nothing in this provision shall preclude the Grantee from providing related recreational facilities and services compatible with the approved application, through concession agreements entered into with third parties, provided prior concurrence to such agreements is obtained in writing from the Secretary of the Interior.

5. From the date of this conveyance, the Grantee, its successors and assigns, shall submit biennial reports to the Secretary of the Interior, setting forth the use made of the

property during the preceding two-year period, and other pertinent data establishing its continuous use for the purposes set forth above, for ten consecutive reports and as further determined by the Secretary of the Interior. Upon receipt of each biennial report the Secretary of the Interior shall review the special two-year use permit issued by the Grantee to the Sports Car Racing Association of the Monterey Peninsula, entitled "Permit for Use of Laguna Seca Raceway by the Sports Car Racing Association of the Monterey Peninsula (SCRAMP)"; and within sixty (60) days after receiving said report shall approve renewal, request modifications, or recommend non-renewal or cancellation of the use permit. Upon recommendation by the Secretary of the Interior, the Grantee shall have the right to cancel said use permit upon one year's notice to SCRAMP.

6. Any and all payments received by the Grantee from SCRAMP for use of a portion of the subject property for vehicular racing in accordance with terms of the special use permit mentioned in paragraph 5 above shall be used by the Grantee solely for recreation development and operations at the subject property (Laguna Seca Recreation Area).

7. If at any time the Grantor shall determine that the premises herein conveyed, or any part thereof, are needed for the national defense, all right, title and interest in and to said premises, or part thereof determined to be necessary to said national defense, shall revert to and become the property of the Grantor. No construction shall occur which would complicate or hinder the full utilization of this property upon reversion to the United States of America as provided in this paragraph.

8. As part of the consideration for this Deed, the Grantee covenants and agrees for itself, its successors and assigns, that: (1) the program for or in connection with which this Deed is made will be conducted in compliance with, and the Grantee, its successors and assigns, will comply with all requirements imposed by or pursuant to the regulations of the Department of the Interior as in effect on the date of this Deed (43 C.F.R. Part 17) issued under the provisions of Title VI of the Civil Rights Act of 1964; (2) this covenant shall be subject in all respects to the provisions of said regulations; (3) the Grantee, its successors and assigns, will promptly take and continue to take such action as may be necessary to effectuate this covenant; (4) the United States shall have the right to seek judicial enforcement of this covenant; (5) the Grantee, its successors and assigns, will (a) obtain from each other person (any legal entity) who, through contractual or other arrangements with the Grantee, its successors or assigns, is authorized to provide services or benefits under said program, a written agreement pursuant to which such other person shall, with respect to the services or benefits which he is authorized to provide, undertake for himself the same obligations as those imposed upon the Grantee, its successors and assigns, by this covenant, and (b) furnish a copy of such agreement to the Secretary of the Interior, or his successor; (6) this covenant shall run with the land hereby conveyed, and shall in any event, without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity for the benefit of, and

in favor of the Grantor and enforceable by the Grantor against the Grantee, its successors and assigns; and (7) the Grantor expressly reserves a right of access to, and entrance upon, the above described property in order to determine compliance with the terms of this conveyance.

9. In the event that there is a breach of any of the conditions and covenants herein contained by the Grantee, its successors and assigns, whether caused by the legal or other inability of the Grantee, its successors and assigns, to perform said conditions and covenants, or otherwise, all right, title and interest in and to the said premises shall revert to and become the property of the Grantor at its option which in addition to all other remedies for such breach shall have the right of entry upon said premises, and the Grantee, its successors and assigns, shall forfeit all right, title and interest in said premises and in any and all of the tenements, hereditaments and appurtenances thereunto belonging; provided, however, that the failure of the Secretary of the Department of the Interior to require in any one or more instances complete performance of any of the conditions or covenants shall not be construed as a waiver or relinquishment of such future performance, but the obligation of the Grantee, its successors and assigns, with respect to such future performance shall continue in full force and effect;

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf this the 31st day of October, 1974.

UNITED STATES OF AMERICA
Acting by and through the
Secretary of the Interior

By Robert C. Van Etten

Robert C. Van Etten
Acting Regional Director
Pacific Southwest Region
Bureau of Outdoor Recreation

Portion, Ford Ord Military
Reservation (Laguna Seca)
D-Calif.-500J (Parcel I)

Amendment to Quitclaim Deed

WHEREAS the United States of America, acting by and through the authorized designee of the Secretary of the Interior (Grantor), conveyed to the County of Monterey, California (Grantee) certain real property located in Monterey County, California, and described in that certain Quitclaim Deed dated October 31, 1974, and recorded November 14, 1974, in Reel 944, Page 1077, Office of the Recorder, County of Monterey, Salinas, California, and,

WHEREAS said Deed contained certain covenants, conditions, and restrictions governing the use of said property, including a two-year limitation on the term of the special use permit issued by the Grantee to the Sports Car Racing Association of the Monterey Peninsula (SCRAMP) with provisions for renewal, modification, or cancellation of said permit upon review by the Grantor at the end of each two-year period; and,

WHEREAS Grantee desires to have the two-year limitation on the term of said special use permit to SCRAMP removed from said Deed; and,

WHEREAS Grantor has determined that removal of said two-year limitation on the SCRAMP use permit will not prevent the accomplishment of the purpose for which the property was transferred;

NOW THEREFORE the United States of America, acting by and through the Director of the National Park Service, as the duly authorized designee of the Secretary of the Interior, does hereby amend Condition Number 5 on Pages 5 and 6 of said Deed of October 31, 1974, by removing all reference to the said SCRAMP use permit; specifically deleting all language in Condition 5 on page 6 of said Deed beginning with "Upon receipt of each biennial report....." through and concluding with "... upon one year's notice to SCRAMP." All other provisions of said Condition 5 to remain unchanged and in full force and effect.

FURTHERMORE, because of its reference to Condition 5, Condition Number 6 on Page 6 of said Deed of October 31, 1974, is hereby revised to read as follows:

> "Any and all payments received by the Grantee for use of all or any portion of the subject property through concession or other similar agreements with third parties shall be used by the Grantee solely for recreation development, operations and maintenance at the subject property (Laguna Seca Recreation Area).

AND FU THERMORE, in order to avoid possible misunderstandings regarding third party agreements, Condition Number 4 on Page 5 of said Deed of October 31, 1974, is hereby amended by inserting the words ",special use permits, licenses or other similar agreements" between the words "concession agreements" and "entered into" in the second sentence of said Condition 4.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf this the ~~sixth~~ day of August, 1986.

UNITED STATES OF AMERICA
Acting by and through the
Secretary of the Interior

By _____
John D. Cherry
Associate Regional Director
Western Region
National Park Service

The foregoing is hereby accepted by the Grantee:

County of Monterey

By _____

STATE OF CALIFORNIA)
COUNTY OF MONTEREY) ss.

REEL 2012 PAGE 238

On this 26th day of August, 1986 before me, Ernest K. Morishita, Clerk of the Board of Supervisors, in and for said County and State, personally appeared SAM P. KARAS, known to me to be the Chairperson of said Board of Supervisors of the County of Monterey, and known to me to be the person who executed the within instrument on behalf of said political subdivision, and acknowledged to me that such County of Monterey executed the same.

ERNEST K. MORISHITA, Clerk of the
Board of Supervisors of Monterey
County, State of California

By: Anne Arce
Deputy Clerk

COUNTY OF SAN FRANCISCO)
) ss.
STATE OF CALIFORNIA)

REEL 2012 PAGE 239

On this 6th day of August, 1986, before me, the subscriber, personally appeared John D. Cherry, to be known and personally known to me to be the Associate Regional Director, Western Region, National Park Service, of the United States of America, acting by and through the Secretary of the Interior, a governmental agency of the United States of America, and known to me to be the same person described in and who executed the foregoing instrument as such Associate Regional Director aforesaid, as the act and deed of the United States, for and on behalf of the Secretary of the Interior, and he acknowledged that he executed the foregoing instrument for and on behalf of the United States of America, for the purposes and uses therein described.

OFFICIAL SEAL
MARY E MEREDITH
NOTARY PUBLIC - CALIFORNIA
SAN FRANCISCO COUNTY
My comm. expires MAR 26, 1989

Mary E. Meredith
NOTARY PUBLIC

My Commission expires:

March 26, 1989

OFFICIAL SEAL
MARY E MEREDITH
NOTARY PUBLIC - CALIFORNIA
SAN FRANCISCO COUNTY
My Comm. Expires MAR 26, 1989

END OF DOCUMENT

WHEN RECORDED MAIL TO:

COUNTY OF MONTEREY - PARKS
ATTN: RICH BRANDAU

Joseph F. Pitta
Monterey County Recorder
Recorded at the request of
County of Monterey

RAUBREY
12/15/2000
9:23:50

DOCUMENT: 2000082485

Titles:1 / Pages: 5

Fees....
Taxes...
Other...
AMT PAID

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

AMENDMENT OF USE RESTRICTIONS

WHEREAS, on October 31, 1974 a representative of the Secretary of Interior, acting on behalf of the United States of America granted the County of Monterey, California a quitclaim deed to 559.016 acre parcel located within the Rancho Laguna Seca, Rancho El Chamisal, and Monterey City Lands Tract No. 1, County of Monterey, State of California and recorded within the official records of the County of Monterey at Reel 944, Pages 1076-1084; and

WHEREAS, on August 6, 1986 a representative of the Secretary of Interior, acting on behalf of the United States of America amended the terms and conditions related to use permits and revenues from use permits and other agreement contained within the aforementioned deed in a document recorded within the official deed records of County of Monterey at Reel 2012, Pages 235-239.

WHEREAS, the County of Monterey has requested an amendment of terms and conditions contained within the deed and amendment relating to the reversion of said property for national defense purposes (deed condition 7) and the use of revenues generated by operations on the described property (amended deed condition 6); and

WHEREAS, the National Park Service, on behalf of the Secretary of the Interior and pursuant to the Federal Properties and Administrative Services Act [40 U.S.C. 484 (k)(4)] determines following consultation with the Department of Army and the General Services Administration that the release of deed condition 7, and the following modification of deed condition 6 will not will not prevent the accomplishment of the purpose for which the property was transferred and protects the interest of the United States.

NOW THEREFORE, in accordance with Federal Property and Administrative Services Act [40 U.S.C. 484 (k)(4)] the Secretary of the Interior, acting by and through the Director of the National Park Service, does hereby amend and remove use restriction relating to the right of reversion for national defense purposes identified as item 7 on page 6 of a quit claim deed from the United States of America to the County of Monterey to a 559.016 acre parcel located within the Rancho Laguna Seca, Rancho El Chamisal, and Monterey City Lands Tract No. 1, County of Monterey, State of California and recorded within the official records of the County of Monterey at Reel 944, Pages 1076-1084, and further amends item 6 on page 6 of said quit claim deed, as amended by a document recorded within the official deed records of the County of Monterey at Reel 2012, Page 235-239 as follows;

> Any and all payments received by the Grantee for use or all or portions of the subject property through concession or other similar agreements with third parties shall be used by the Grantee solely for the recreation development, operations, or maintenance at the subject property (Laguna Seca Recreation Area) to achieve the program of utilization, and if met, then other properties used for park and recreation purposes.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf on this the 21 day of January, 2000.

UNITED STATES OF AMERICA
Acting by and through the Secretary of the Interior

By Ray Murray
Ray Murray
Planning and Partnership Team Leader
Pacific Great Basin Support Office
National Park Service

(COUNTY OF SAN FRANCISCO)
) SS.
(STATE OF CALIFORNIA)

On this 21 day of January, 2000, before me, the subscriber, personally appeared Ray Murray, to b e known and personally known to me to be the Planning and Partnership Team Leader, Pacific Great Basin Support Office, National Park Service, of the United States of America, acting by and through the Secretary of the Interior, a governmental agency of the United States of America, and known to me to be the same person described in and who executed the foregoing instrument as such the Planning and Partnership Team Leader, Pacific Great Basin Support Office aforesaid, as the act and deed of the United States, for and on behalf of the Secretary of the Interior, and he acknowledged that he executed the foregoing instrument for and on behalf of the United States of America, for the purposes and uses therein described.

M. DOLORES GUILLORY
Commission # 1123225
Notary Public — California
San Francisco County
My Comm. Expires Jan 20, 2001

Witness my hand and official seal.

M. Dolores Guillory
NOTARY PUBLIC

CERTIFICATE OF ACCEPTANCE

This is to certify that the Amendment of Use Restrictions conveyed by the National Park Service in consultation with the Secretary of the Interior, acting on behalf of the United States of America is hereby accepted by order of the Monterey County Board of Supervisors on December 12, 2000. Such action is pursuant to authority conferred by Resolution of the Monterey County Board of Supervisors, adopted on December 12, 2000. The Grantee hereby consents to the recordation of the Amendment of Use Restrictions by the County Recorder.

County of Monterey
Grantee

Dated: 12/12/00

By: Louis R. Calcagno
Louis R. Calcagno, Chair
Monterey County Board of Supervisors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Monterey } ss.

On 12-11-2000 (12 SN), before me, J M Vaughn, Notary Public
Date — Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Louis R. Calcagno
Name(s) of Signer(s)

☐ personally known to me
☒ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

J. M. VAUGHN
Commission # 1215341
Notary Public - California
Monterey County
My Comm. Expires Apr 9, 2003

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Amendment of Use Restrictions

Document Date: 12-12-2000 Number of Pages: 3

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Chair, Monterey County Board of Supervisors

Signer Is Representing: Monterey County

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

© 1997 National Notary Association • 9350 De Soto Ave., P.O. Box 2402 • Chatsworth, CA 91313-2402 Prod. No. 5907 Reorder: Call Toll-Free 1-800-876-6827

END OF DOCUMENT

EXHIBIT B

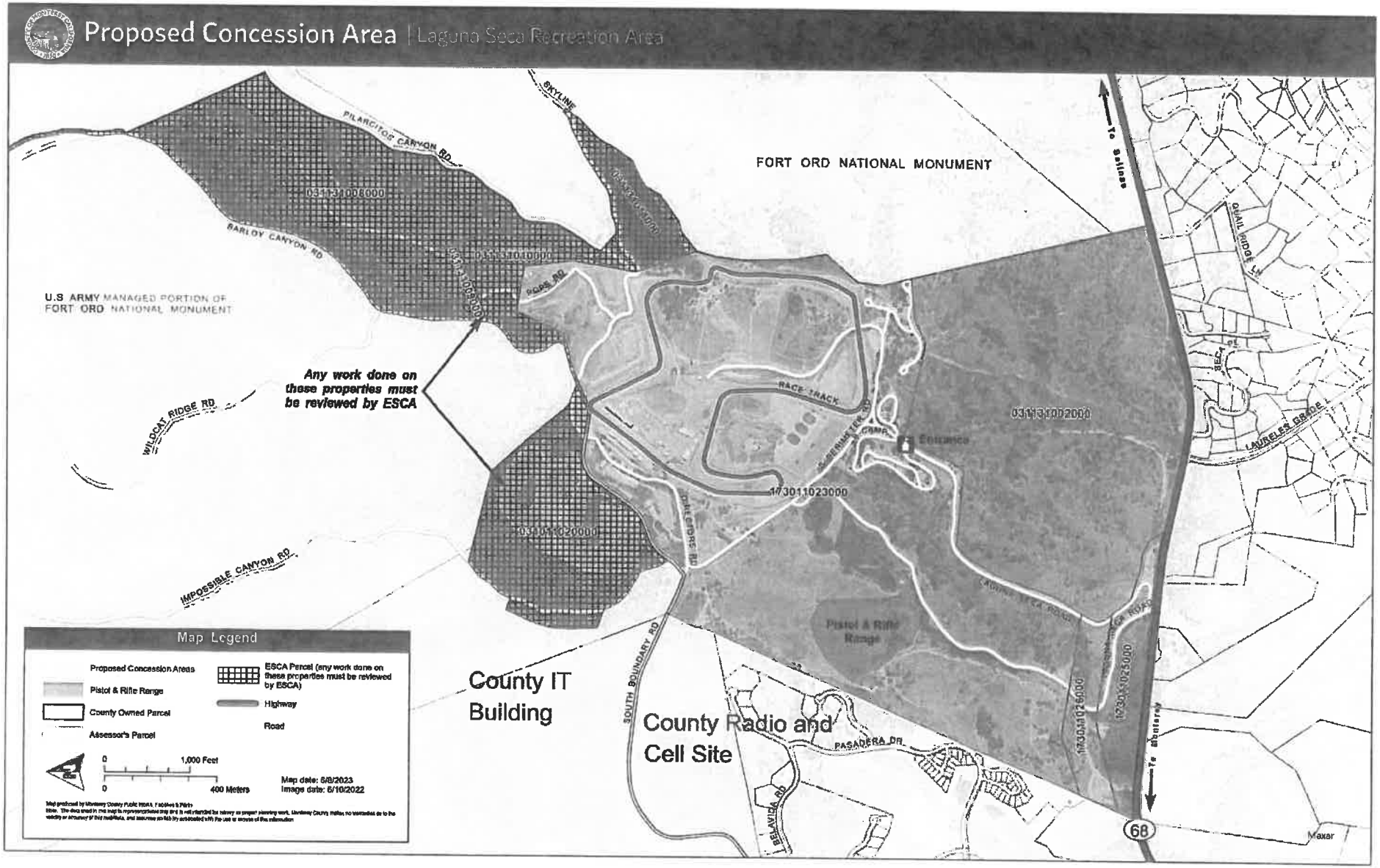
Proposed Concession Area | Laguna Seca Recreation Area
FORT ORD NATIONAL MONUMENT
U.S ARMY MANAGED PORTION OF FORT ORD NATIONAL MONUMENT
Any work done on these properties must be reviewed by ESCA
PILARCITOS CANYON RD
SKYLINE
BARLOY CANYON RD
WILDCAT RIDGE RD
IMPOSSIBLE CANYON RD
RACE TRACK
Entrance
CAMP
GIGLINI RD
CREEDMOOR RD
SOUTH BOUNDARY RD
PASADERA DR
BELAVISTA RD
QUAIL RIDGE LP
LAURELES GRADE
To Salinas
To Monterey
68
Maxar
03113001000
03113002000
03113003000
03113004000
03113005000
03113006000
173011023000
173011020000
173011025000
173011026000
Pistol & Rifle Range
County IT Building
County Radio and Cell Site
Map Legend
Proposed Concession Areas
Pistol & Rifle Range
County Owned Parcel
Assessor's Parcel
ESCA Parcel (any work done on these properties must be reviewed by ESCA)
Highway
Road
0
1,000 Feet
0
400 Meters
Map date: 5/8/2023
Image date: 5/10/2022

EXHIBIT C

PLANNING COMMISSION
COUNTY OF MONTEREY, STATE OF CALIFORNIA

RESOLUTION NO. 83-376

USE PERMIT NO. 2991

A.P. # 173-011-23 and 25

FINDINGS AND DECISION

In the matter of the application of

MONTEREY COUNTY PARKS (PC-4929)

for a Use Permit in accordance with Title 20 (Zoning) Chapter 20.96 (Use Permits) of the Monterey County Code, to allow additions to existing park facilities and a regional park general development plan, located on portion of Laguna Seca Rancho, Monterey City Lands Tract, and El Chamisal Rancho, fronting on and northerly of State Highway 68, and came on regularly for hearing before the Planning Commission on October 26, 1983.

Said Planning Commission, having considered the application and the evidence presented relating thereto,

FINDINGS OF FACT

1. That the establishment, maintenance, or operation of the use or building applied for will not under the circumstances of the particular case, be detrimental to health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.
2. That the use permit and general development plan are consistent with the Monterey County Parks Department Five Year Capital Program as approved by the Board of Supervisors.
3. That the use permit and general development plan is consistent with the Monterey County General Plan, particularly Objective 51.3 and Policy 51.3.1 regarding economic self sufficiency.
4. That the use permit and general development plan are consistent with the Monterey County Parks Department Economic Plan approved by the Board of Supervisors September 15, 1981.
5. That the use permit and general development plan are consistent with the Monterey County General Parks Policy Statement as approved in principle by the Board of Supervisors February 3, 1981.
6. That an environmental impact report for the Laguna Seca Recreation Area was prepared and subsequently certified by the Planning Commission on March 30, 1983.
7. That the conditions attached hereto address and apply those environmental impact report concerns and mitigations pertinent to this application.

DECISION

THEREFORE, it is the decision of said Planning Commission that said application for a Use Permit be granted as shown on the attached sketch, subject to the following conditions:

1. A soils report shall be submitted for each proposed use concurrent with any required building or grading permit. Each report shall be approved by the Director of Building Inspection and Director of Planning as to content, including limitations and recommendations for foundations, grading, paving and drainage.
2. An erosion control plan be prepared for each proposed use prior to obtaining a grading or building permit, subject to the approval of the Director of Building Inspection.
3. That all cut and fill slopes on site be 3:1 (horizontal to vertical) or flatter and shall be revegetated prior to winter rains, subject to the approval of the Director of Building Inspection.
4. That parking lot development be designed in a manner to maximize preservation of existing chaparral by using chaparral to landscape the parking lot, locating parking areas where the least significant vegetation occurs, and locating the parking areas to reduce the need for grading. The location and layout of parking areas be approved by the Director of Planning.
5. That a program to eradicate annual thistles in the campground areas be established

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6. That building siting and construction be in such a manner as to minimize removal or alteration of oak trees, subject to the approval of the Director of Planning.
7. That any activities planned for location under oak trees be designed and located to minimize soil compaction and root disturbance.
8. No additional irrigation shall be allowed within the drip lines of oak trees to prevent fungal infection.
9. Except for the removal of thistles in campground areas, under story vegetation in the oak woodland areas shall be left intact wherever possible.
10. Outside of the developed recreation and race oriented facilities in the park, the existing character of the landscape shall be maintained by protection preservation and enhancement of existing natural areas.
11. That the location, type, and design of fences and guardrails visible from Highway 68 be approved by the Director of Planning. Such approval shall consider the proposed structures impact or compatibility with the landscape and other natural features.
12. That the employee housing units not be located within the Highway 68 Official Plan Line.
13. That the employee housing units site be landscaped, including landsculpturing where appropriate, with particular regard to visual screening from Highway 68, (either existing or future alignments), and other areas of the park, subject to the approval of the Director of Planning.
14. That a detailed acoustical analysis be performed by a qualified consultant concurrent with the first major special event, such as an outdoor concert. The analysis, including recommended abatement measures, shall be submitted to the Director of Environmental Health. The findings of the report shall be submitted to the Board of Supervisors for consideration prior to the next major special event.
15. That alternate access through Fort Ord be provided in conjunction with any large special event.
16. That the operation of heavy construction equipment be limited to daylight hours.
17. That the Parks Department provide, or cause to be provided for use at major events, relocatable directional signs to aid motorists in determining exit direction (Salinas c. Monterey) onto Highway 68.
18. That no other events be scheduled concurrent with large special events.
19. That special events scheduled in the park on the same day be scheduled to stagger start and finish times.
20. That location of specific unpaved overflow parking areas be designated.
21. That the Parks Department consider shuttle service within the park area for large special events.
22. That all septic disposal facilities be approved by the Monterey County Director of Environmental Health and that permits for such facilities be obtained prior to installation.
23. That any landscaping required as part of any project authorized by this permit that will be visible from Highway 68 be subject to the approval of the Director of Planning.
24. That large grass areas be mowed to reduce fire fuel buildups, subject to a maintenance schedule to be approved by the Salinas Rural Fire District. A copy of such schedule shall be provided to the Director of Planning.
25. Firebreaks shall be established around campground areas, subject to the approval of the Salinas Rural Fire District.
26. That a fire protection plan for large special events including but not limited to plans for fire lanes, access, on-site apparatus, and water supply shall be approved by the Salinas Rural Fire District.
27. Portable fire extinguishers shall be provided in such locations that may be required by the Salinas Rural Fire District including the camp store, food service buildings, auto garages, and concession booths, subject to the approval of the Salinas Rural Fire District.
28. That 11 firehydrants be installed consistent with Figure 2.8 in the certified EIR. A schedule for installation shall be established and approved by the Salinas Rural Fire District and included in the Parks Department 5 Year Improvement Plan.
29. That passive solar heating techniques be considered in all structures.
30. That an energy conservation plan be developed to reduce or minimize night lighting and un-needed building heating.
31. That site grading or clearing prior to construction be minimized if possible.
32. That proposed structures comply with Title 24, Energy Conservation Standards for Non-Residential Development, subject to the approval of the Director of Building Inspection.

33. That parks historian conduct on-site research to determine whether the remains of the residence/farm complex should remain untouched and protected, be reconstructed, or be razed. The historian's recommendation shall be submitted to the Historical Commission for recommendation to the Board of Supervisors for final Board action.
34. If buried cultural resources are uncovered during project construction (unusual concentrations of bones, rocks, shell, fire-darkened soil, flints, etc.), all work should be halted within 20 meters of the find and the Monterey County Planning Department and the Regional Office of the California Archaeological Site Survey should be notified so that suitable mitigation measures can be formulated and implemented.
35. That a maximum of 24 small event days (1,000 - 5,000 persons) be allowed per calendar year.
36. That a maximum of 6 medium event days (5,000 - 12,000 persons) be allowed per calendar year.
37. That a maximum of 5 large event days (12,000 - 20,000 persons) be allowed per calendar year.
38. That those projects listed in the general development plan submitted with this application are hereby approved.
39. That the design of all structures be approved by the Parks Commission at public hearing.
40. That all exterior lighting visible off-site shall be unobtrusive, harmonious with the local area, and constructed or located so that only the intended area is illuminated and off-site glare is fully controlled. The location, type, and wattage of such lighting must be approved by the Director of Planning.
41. That projects visible from Highway 68 be landscaped, including landsculpturing and fencing where appropriate, and that a plan for such improvements be approved by the Director of Planning.
42. That all required landscaped areas and/or fences shall be continuously maintained by the applicant and all plant material shall be continuously maintained in a litter-free, weed-free, healthy, growing condition.
43. That the Planning Director is authorized to review and approve the relocation of previously approved facilities within the park.

PASSED AND ADOPTED this 26th day of October, 1983 by the following vote:

Ayes: Hendrick, Jimenez, Mill, Riddle, Varga

Noes: None

Absent: Cailotto, Calcagno, Glau, Reaves

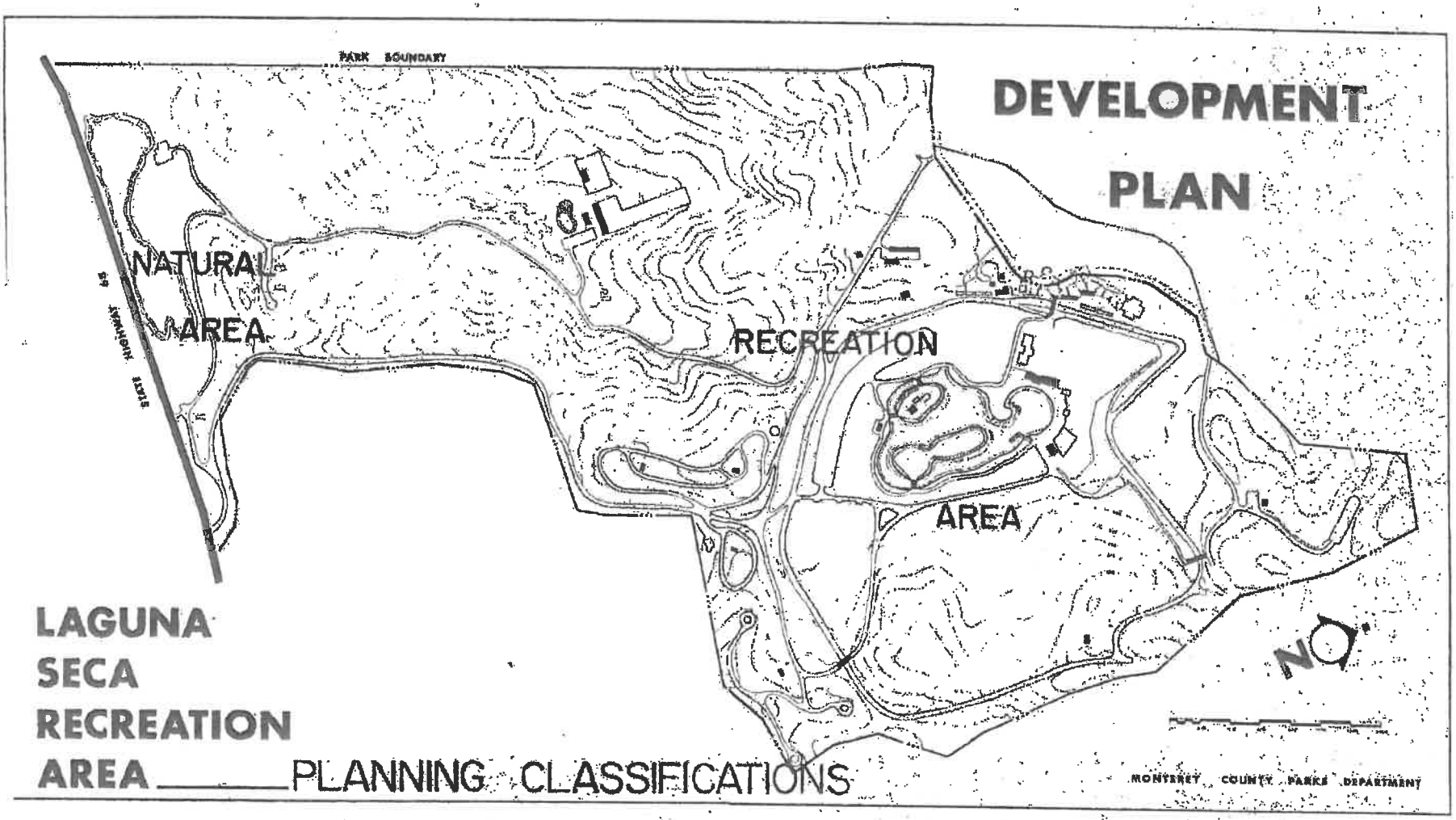
THIS PERMIT EXPIRES IF NOT EXERCISED BY [illegible]
OR USE IS DISCONTINUED FOR ONE YEAR.

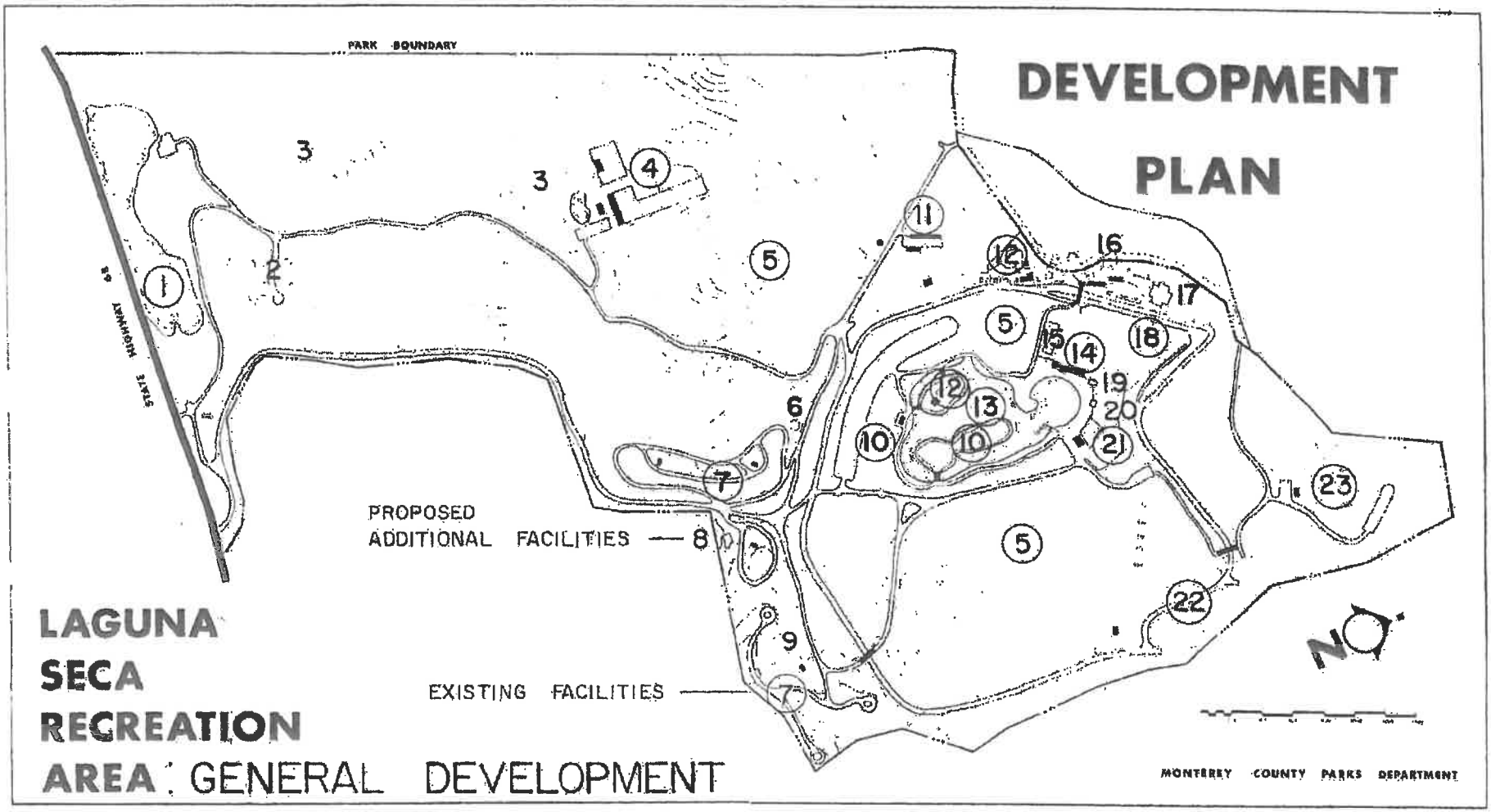
Robert Slimon

ROBERT SLIMON, JR.
Secretary of the Planning Commission

Copy of this decision was mailed to the applicant on November 4, 1983.

IF ANYONE WISHES TO APPEAL THIS DECISION, AN APPEAL FORM MUST BE COMPLETED AND SUBMITTED TO THE CLERK OF THE BOARD OF SUPERVISORS ALONG WITH THE APPROPRIATE FILING FEE ON OR BEFORE NOVEMBER 14, 1983.


PARK BOUNDARY
DEVELOPMENT
PLAN
NATURAL
AREA
RECREATION
AREA
LAGUNA
SECA
RECREATION
AREA
PLANNING CLASSIFICATIONS
MONTEREY COUNTY PARKS DEPARTMENT


DEVELOPMENT
PLAN
PARK BOUNDARY
STATE HIGHWAY 68
PROPOSED
ADDITIONAL FACILITIES — 8
EXISTING FACILITIES — 7
LAGUNA
SECA
RECREATION
AREA: GENERAL DEVELOPMENT
MONTEREY COUNTY PARKS DEPARTMENT

LAGUNA SECA RECREATION AREA

GENERAL DEVELOPMENT PLAN

Key to General Development Plan

Existing Facilities (prior use permit approved or approved non-conforming use permitted)

1	Nature sanctuary
4	Pistol & Rifle Range
5	Special event areas
7	Campgrounds
10	Family day use picnic areas
11	Ranger residence and maintenance facility
12	Group day use picnic areas
13	Lake day use
14	Racing team garage
18	Paddock area
	--go carts
	--exhibit areas
	--automobile related events
21	Wet & Wild recreation area
22	Laguna Seca racetrack
23	Off-Road Vehicle area

Proposed Facilities (proposed additional facilities for inclusion in the Laguna Seca General Development Plan)

2	Employee housing
3	Sports and Range facilities (additional development)
6	Campground multi-purpose building
8	Campground store
9	Youth Hostel facility
15	Auto restoration garage
16	Plaza complex
	--exhibit areas
	--food booths (permanent)
	--amphitheatre
	--restaurant
17	Auto museum

19 Paddock restroom

20 Paddock food service facility

Support facilities for both existing and proposed park and recreation activities

NOTE: The following items are not shown individually on the General Development Plan. This list includes, but is not limited to, park and recreation support elements considered essential to the existing and proposed projects identified on the General Development Plan

Water -- Domestic, Non-domestic, Fire protection

Electrical System

Telephone

Waste Disposal -- as allowed by local and state Health requirements

Road system

Parking Area -- paved, non-paved

Restrooms -- permanent, portable, chemical

Water storage systems

Fencing

Signs -- directional, informational, advertising

Night Lighting -- security, special event related

Bridges & Walkways -- pedestrian, vehicular

Spectator Seating -- permanent, portable

Trails -- fire, pedestrian, motorcycle, bicycle

Childs play equipment

Active sports area -- horseshoes, volleyball, baseball, soccer, etc.

Landscape & erosion control

Minor grading activities

Recreation program and event requirements

- Stages
- Tent Shelters, Canopys
- Sound Systems
- Lighting Systems
- Etc.

LAGUNA SECA RECREATION AREA
GENERAL DEVELOPMENT PLAN
PROGRAM NARRATIVE

The original Laguna Seca Environmental Impact Report was certified by the Board of Supervisors on January 7, 1975. For three years progress was made to fulfill the approved development plan. However, in July of 1978 the Board of Supervisors accepted a recommendation by the Parks Commission to make the Parks Department become self-supporting and determined that the original EIR adequately addressed selected additional development at Laguna Seca. At the same time, the Board also accepted four basic strategies for achieving this goal. They are as follows:

1. Providing activities and programs supported by fees
2. Encouraging community involvement in volunteerism
3. Constructing revenue generating facilities
4. Involving private enterprise, where compatible, in providing necessary and related services

Significant progress has been made in all these areas and the Parks Department will continue to adhere to these objectives in the future. It is the Department's major objective to provide the people of Monterey County a variety of asthetic, natural and scenic qualities and at the same time regulate such activities so that major consideration is given to preventing environmental damage. Laguna Seca is designed to accommodate recreational activities that cannot effectively be planned for at other existing County facilities.

In our efforts to strive toward the goal of complete self-support, the Parks Department caused a second environmental impact report to be prepared which would address several additional development projects that were not covered under the previous EIR or shown on the general development plan. On March 30, 1983, the Planning Commission certified the second EIR as adequate in identifying potential environmental impacts that might be caused by these additional facilities.

Major projects now under consideration that have been addressed in the most recent EIR include the following:

1. Sports and Range facility improvements
2. Campground multi-purpose building
3. Campground store
4. Youth Hostel building

5. Auto restoration garage
6. Plaza complex
7. Permanent concession operated booths
8. Paddock food service building
9. Auto museum
10. Paddock restroom
11. Employee housing area

It is clear that each of these projects satisfies one or more of the four basic strategies mentioned above.

Laguna Seca is unique in the Monterey County Parks System in that the recreation area had an established spectator oriented activity long before it became a regional park. Up to the point of its acquisition, Monterey County developed and operated most of the day use parks with little or no active recreational programs available to the park patrons. This was the philosophy prior to 1978 and served the County well until the passage of Proposition 13. Fortunately, Monterey County Parks had an edge against Proposition 13 in that the mechanics for park user fees were already well established for various park related services.

Now that the current fiscal situation is upon us, it is even more important that specifically designated active recreation areas, such as Laguna Seca, San Lorenzo and Lake San Antonio, be developed into high use recreation areas in an effort to fulfill the goal of self-support and thereby eliminate the dependancy upon County General Fund monies to operate the park system.

I. PLANNING CLASSIFICATIONS

In accordance with the approved County Park Policy Statement, the staff of the Monterey County Parks Department has utilized a classification system at Laguna Seca and has identified two major planning classifications.

A. Natural Areas - Natural areas are areas of outstanding natural significance where the major values are visual, ecological, and zoological. The purpose of a natural area is primarily the preservation of its outstanding natural features. Development should be for the purpose of making the areas available for public enjoyment in a manner consistent with the preservation of the natural values. Uses for which developments may be made are passive recreational activities such as

camping, picnicking, sightseeing, nature study, hiking, and riding. Such development shall involve no major modifications of the land, forests, or waters; introduction of artificial features that are primarily of urban character shall not be allowed. In planning for developments and uses which are compatible, the intensity of the use, as compared to the ability of the natural area to accommodate people without impairing its quality, shall be carefully studied to avoid overuse.

B. Recreation Areas - A recreation area should be comparatively large and may contain features from some of all the other park unit classifications. These may include special recreation facilities such as overnight camping, range facilities, auto, bicycle and motorcycle racetracks, concerts, festivals, and water-oriented uses. These facilities cater to special recreation interest groups on a regular basis. Recreation areas tend to be high visitation, multiple use areas.

II. PLANNING AREAS

Within the two major planning classifications, the Parks staff has identified nine major planning areas. These areas are:

a. Nature Preserve area
b. Sports and Range facilities
c. Campgrounds
d. Day use areas
e. Multi-use lake area
f. Raceway and paddock area
g. Off-road vehicle area
h. Plaza area
i. Special event areas

A. Nature Preserve Area

1. Brief statement of purpose: This area is being maintained as a unique environmental habitat co-existing with a highly intensive recreation area. This area could be preserved and interpreted through displays, photographic vista points and self-guided nature walks.

2. Existing Development:

a. Water oriented nature area

b. Vegetative and wildlife habitat
c. Nature trails
d. Parking areas
e. Water well and pumping station location

3. Proposed Development:
a. Develop photographic viewpoints
b. Additional self-guided nature trails
c. Develop minor interpretive program and displays

B. Sports and Range Facilities

1. Brief statement of purpose: This facility provides a controlled area for the individual and/or competitive shooting segment of the general public. Additionally, the facility provides programs on firearm safety as well as classes on instruction and use of firearms. These facilities can also be reserved for specific shooting events.

2. Existing Development:
a. Public Pistol and Rifle Range
b. Law enforcement range (non-public)
c. Multi-purpose building
d. Small water pond
e. Parking facilities

3. Proposed Development:
a. Potential concession operation
b. Expanded shooting program
c. Additional sports activities in vicinity of range

C. Campgrounds

1. Brief statement of purpose: Approximately 100 sites available for camping use plus overflow areas designated on demand. Provides a needed recreational outlet for local and non-resident campers.

2. Existing Development:
a. 87 camping sites with electrical hookups
b. 105 general camping sites
c. Pre-designated overflow camping areas
d. Restrooms with showers

3. Proposed Development:
a. Group multi-purpose building

b. Campground store

c. Youth Hostel building

D. Day Use Areas

1. Brief statement of purpose: Development of two large day use barbeque facilities accommodating up to 1,000 persons each on a reservation basis. Also provides for family day use picnic areas.

2. Existing Development:

a. Two large BBQ shelters

b. Parking areas

c. Active turfed play areas

d. Restrooms

3. Proposed Development:

a. Expanded active play areas

E. Multi-Use Lake Area

1. Brief statement of purpose: The lake provides a potential for a variety of recreational uses associated with general day use recreation as well as adding an aesthetic value to the park.

2. Existing Development:

a. Paddle Boats

3. Proposed Development:

a. Fishing program

b. Model boating

c. Expanded boating program

F. Raceway and Paddock Area

1. Brief statement of purpose: The raceway and paddock area serves as the nucleus during the major racing activities and provides for on-going race related activities during non-racing times. It further serves as a parking area for special events and a temporary track area for several go-cart and auto-cross events held during the year.

2. Existing Development:

a. Race team garage facilities

b. Racing school

c. Mini Can-Am racing cars

d. Multi-purpose building for Wet & Wild racing activities

e. Display areas

3. Proposed Development:
   a. Second auto restoration garage facility
   b. Concession food service building
   c. Restroom
   d. Paddock area improvements

G. Off-Road Vehicle Area
   1. Brief statement of purpose: This area provides for BMX and off-road motorcycle racing programs. It will also be opened to the general public during specific times.
   2. Existing Development:
      a. Restroom
      b. BMX track for competitive racing programs
      c. Motorcycle track for competitive racing programs
      d. Public day use BMX and motocross tracks
      e. Parking facilities
      f. Major race parking area
   3. Proposed Development:
      a. Small racing paddock
      b. Multi-purpose building
      c. Water storage tank

H. Plaza Area
   1. Brief statement of purpose: The plaza complex will create a festive atmosphere by using major landscaping and architectural materials as well as allowance for specialty concession booths, spectator seating and rehabilitation of existing structures.
   2. Existing Development:
      a. Timing and scoring building
      b. SCRAMP maintenance building
      c. Spectator seating
      d. Pedestrian bridge
   3. Proposed Development:
      a. Plaza complex
      b. Expanded spectator seating areas
      c. Rehabilitation of existing structures
      d. Concession booths and display areas
      e. Auto museum

I. Special Event Areas

1. Brief statement of purpose: Basically, special event areas are set aside to accommodate future activities of a special event nature. The site will be returned to its most natural state after completion of event.

2. Existing Development:

   a. None, presently used as an overflow park area for activities utilizing existing developed park facilities

3. Proposed Development:

   a. As required to provide for special event needs such as outdoor concerts and festivals

EXHIBIT D

Exhibit D –Insurance

Required Coverage. Without in any way limiting Contractor's liability pursuant to the "indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance which follows their designated operations in the following amounts and coverages:

a) **Commercial General Liability/Motorsport Liability** insurance which includes the following minimum limits each coverage;

CGL/Motorsport Liability	Minimum Required Limit
Bodily Injury and Property Damage Liability	$ 25,000,000
Damage to rented premise (Fire legal)	$ 300,000
Medical Expense	$ 5,000
General Aggregate	None
Products- Completed Operations	$ 25,000,000
Personal Advertising Injury	$ 25,000,000

b) **Liquor Liability** Insurance with limits no less than **$1,000,000** each occurrence;

c) **Participant Legal Liability** Insurance with limits not less than **$25,000,000** each occurrence;

d) **Commercial Auto Liability** Insurance with limits no less than **$25,000,000** each occurrence, "combined single limit" for Bodily Injury and Property Damage, including Owned, Non-owed, and Hired auto coverage, as applicable

e) **Worker's Compensation,** in Statutory amounts, with Employers' Liability Limits not less than **$1,000,000** each accident, injury, or illness;

f) **Crime insurance** with limits of no less than **$1,000,000** per occurrence covering claims involving employee dishonesty, forgery or alteration, theft, disappearance and destruction, and computer fraud.

Additional Insured

Commercial General Liability or Motorsport Liability Insurance, Liquor Liability policies must be endorsed to provide:

i. County of Monterey, its agents, officers, directors and employees as Additional Insured's with respect to liability arising out of ongoing and completed operations.

ii. Such policies will be first dollar and primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Agreement, and that insurance applies separate to each insured against whom claim is made or suit is brought.

iii. If Contractor carries or maintains an Umbrella/Excess Liability policy to provide additional coverage or if the contract requires higher limits than what the Contractor carries in the primary policies, County shall be added as additional insured's on such policies.

    i. The policy shall provide "drop-down" blanket coverage where underlying primary insurance coverage limits are insufficient or exhausted.

iv. Coverage must waive subrogation as respects to the additional insureds.

v. Contractor shall provide to County a certificate of insurance evidencing the required coverages no later than thirty (30) days prior to the event. Upon County's request, Contractor shall provide full copies of all applicable insurance policies.

vi. The Certificate of insurance and policy should list any deductibles or self insured retentions Contractors might be responsible to pay or reimburse.

vii. General liability and Umbrella Policies need to be placed with at least an A- rated carrier by A.M. Best.

Subcontractors

If Contractor will use any subcontractor(s) to provide Services, Contractor shall require and be responsible for the subcontractor(s) to provide all necessary insurance and to name the County of Monterey, its Officers, Agents, and Employees as additional insureds.

i. Contractor's and Subcontractor's primary and umbrella/excess policies will be first dollar policies to respond to any claim or lawsuit.
ii. Contractor's and Subcontractor's primary and umbrella/excess policies shall not subrogate or seek recovery against County's primary or excess policies.

County of Monterey

Board Report

Legistar File Number: OBM 25-129

Item No.22

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

See Supplemental Sheet

County of Monterey

Board Report

Legistar File Number: OBM 25-130

Item No.23

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

General Public Comments

This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Supervisors. Board members may respond briefly to the statement made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Board at a future meeting.

Introduced: 9/3/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** General Agenda Item

a. Conduct a required public hearing to obtain residents' views and respond to proposals and questions received during the preceding 30-day public comment period regarding the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for Fiscal Year 24/25;
b. Receive and Accept the Consolidated Annual Performance and Evaluation Report for Fiscal Year 24/25;
c. Authorize the Director of Housing and Community Development or their designee to submit the CAPER to the United States Department of Housing and Urban Development;
d. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for Fiscal Year 24/25 for submittal to the United States Department of Housing and Urban Development; and,
e. Authorize the Director of Housing and Community Development or their designee to make minor changes to the Consolidated Annual Performance and Evaluation Report as needed or in response to comments from the United States Department of Housing and Urban Development.

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(CDBG) Entitlement community. To remain eligible for HUD CDBG funds, the County is required to conduct two public hearings annually on CDBG funding priorities and goals. The County adopts an Action Plan annually in May following a public comment period and public hearing. The 30-day public comment period began on August 14, 2025, and will conclude with this public hearing to consider the Consolidated Annual Performance and Evaluation Report, known as the (CAPER). The CAPER being considered by the Board today summarizes accomplishments for the Fiscal Year (FY) 24/25 CAPER.

CDBG funds may be used to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. As an Entitlement community, the County and its consortium members must prioritize activities which primarily benefit low- and moderate-income persons. Other eligible activities may aid in the prevention or elimination of slums or blight and activities that meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities which do not meet one of these national objectives.

In FY24/25, the County was allocated $1,194,203 in regular CDBG funding. CDBG regulations cap the amount of grant funding that may be used for administrative costs to 20% or $238,840 toward program administration based on the FY24/25 allocation and 15% or $179,130 toward public service projects.

DISCUSSION:
The County's Consolidated Plan, which is prepared every 5-years and guides development of the Annual Action Plans, identified seven programmatic areas for CDBG funding priorities to primarily benefit low-moderate income communities. These programmatic areas are: Affordable Housing; Fair Housing; Homeless and Homeless Prevention Services; Infrastructure Improvements; Public Facilities; Public Services and General Program Administration. The Urban County's accomplishments in each of these areas during FY24/25 is summarized below.

The CAPER closes the FY24/25, July 1, 2024-June 30, 2025, by summarizing the accomplishments and the progress the Urban County made towards the goals and objectives it established in its Annual Action Plan (AAP). The FY24/25 AAP was approved by the Board of Supervisors on May 14, 2024. The AAP allocated CDBG funds in the amount of $427,191 for one public facility project in South Monterey County and $376,450 for two public facility projects in North Monterey County; $179,130 for seven public service activities; and, $238,840 for general program administration.

Public Facilities – The Urban County allocated $427,191 for Greenfield Walnut Avenue Pedestrian improvements, $286,450 for Veterans Transition Center Solar Empowerment, and $90,000 for Del Rey Oaks project. Greenfield and Del Rey Oaks projects are still in progress and incomplete. Veterans Transition Center Solar Empowerment completed install on Veteran's housing on May 30, 2025. Las Lomas sidewalks were funded in the previous fiscal year in the amount of $200,000 and work was completed on May 31, 2025.

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Alliance on Aging: **104**
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The County budgets the maximum amount possible for general administration even if it may not need the full amount. Any unused public service or general administration funds may only be used for affordable housing, community facilities, or public facilities in a subsequent year. The Urban County will rollover approximately $75,479 from these FY24/25 sources to FY25/26.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
The cities of Del Rey Oaks, Gonzales, Greenfield, and Sand City partnered with the County to be designated as an Urban County for the HUD Consolidated Plan from 2020-2024. For the new Consolidated Plan from 2025-2029, Del Rey Oaks is no longer with the Urban County and Marina has joined.

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Authorizing the Urban County to submit the FY24/25 CAPER to HUD by September 30, 2025, is required to keep the Urban County in compliance with HUD CDBG requirements. Continued eligibility for the Urban County designation will allow the County to continue to receive the Entitlement Allocation of CDBG from HUD, approximately $1.3 million annually.

__X__ Well-Being and Quality of Life
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Link to the Strategic Plan:
<https://www.countyofmonterey.gov/home/showdocument?id=139569>

Prepared by: Dawn M Yonemitsu, Management Analyst II, x5387
Reviewed by: Darby Marshall, Redevelopment & Housing Analyst II, x5391
Approved by: Craig Spencer, Director of Housing & Community Development, x5233

The following attachments are on file with the Clerk of the Board:
Attachment A - Draft CAPER for FY24/25

Introduced: 9/3/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** General Agenda Item

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Attachment A

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2024-2025

Community Development Block Grant Consolidated Annual Performance and Evaluation Report (CAPER)

To Be Considered by the
Monterey County Board of Supervisors
on September 16, 2025

Monterey County Urban County Consortium Members

City of Del Rey Oaks
City of Gonzales
City of Greenfield
City of Sand City
County of Monterey

Submit all comments and/or questions regarding this document to:
Dawn M. Yonemitsu, Management Analyst II
1441 Schilling Place, 2nd Floor, South
Salinas, CA 93901
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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

Program Year (PY) 2024/25, is the fifth year of the 2020-2024 Monterey Urban Count Consolidated Plan. The Urban County used the allocation of $1,194,203 CDBG Entitlement (CDBG) funds, $10,000 in program income and $144,858 in prior year resources to support programs, services, and projects that contribute to a decent housing and suitable living environment for low- and moderate-income persons and households.

The Urban County's 2020-2024 Consolidated Plan identified the priorities below as some of the most critical needs in the Urban County:

- Affordable Housing
- Fair Housing
- Homeless Services and Homelessness Prevention
- Infrastructure Improvements
- Public Facilities
- Public Services

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

The major activities undertaken by the Urban County using CDBG Entitlement funding are listed below:

CDBG ENTITLEMENT ACTIVITIES

Public Services

- A grant to provide Fair Housing services to Eden Council for Hope and Opportunity (ECHO). The EHCO program is funded under the Administration Cap and is available to all residents in the County.
- A grant to the Alliance on Aging to provide senior services outreach. 108 seniors were assisted.
- Grants to two agencies (South County Youth Program and Services and Girls Inc. of the Central Coast) providing youth services in various areas of the unincorporated County. Together, these agencies provided services to 650 youth.
- A Grant to Interim, Inc. to provide homeless outreach in unincorporated areas of the County as well as Sand City, Del Rey Oaks, Gonzales, and Greenfield. 21 homeless individuals were provided services.
- A grant to the Central Coast Young Mens Christian Association (YMCA) to provide childcare

services at Pajaro Park. This program benefited 849 low- and moderate-income children.

- Grants to two different agencies providing much-needed meals-on-wheels services. Together these programs served 112 seniors.

Capital Investments

- The Walnut Avenue Pedestrian Improvements Project was awarded $1,293,985 in a combination of PY 2022/23 and 2023/2024 CDBG funds. Environmental review has been completed. Approval of land acquisition is anticipated to occur in the Fall of 2025.
- The Aromas Sidewalk Improvement Project was awarded $167,450 in CDBG funds. The project was completed in PY 2024/25. Americans with Disabilities Act (ADA) compliant sidewalks were built allowing the community safe passage to the elementary school and business community.
- The City of Del Rey Oaks was allocated $90,000 in CDGB for funding of Del Rey Park accessibility improvements. The City is working on the project scope, which may be expanded to include improvements to City Hall.
- The County was allocated $286,450 for a Solar Empowerment project at the Veteran's Transition Center located in the City of Marina. Construction was completed during PY 2024/25; however, the County is working with the contractor on final punch list items and the project will be closed in PY 25/26.

The specific expenditures and accomplishments for PY 2024/25 Entitlement funds are shown in Table 1.

The goals and accomplishments shown in Table 1 on the following pages do not include the goals and accomplishments related to the Urban County's CDBG-CV funds.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing	CDBG: $0.00	Rental units rehabilitated	Household Housing Unit	5	0	0%	0	0	N/A
Affordable Housing	Affordable Housing	CDBG: $0.00	Homeowner Housing Rehabilitated	Household Housing Unit	5	0	0%	0	0	N/A
Fair Housing	Non-Homeless Special Needs Fair Housing	CDBG: $40,200.00	Public service activities other than Low- and moderate-income Housing Benefit	Persons Assisted	1600	2109	132%	115	145	126%
Homelessness and Homeless Prevention Services	Homeless	CDBG: $25,000	Public service activities other than Low- and moderate-income Housing Benefit	Persons Assisted	70	116	166%	20	21	105%
Homelessness and Homeless Prevention Services	Homeless	CDBG: $0.00	Homeless Prevention	Persons Assisted	0	0	N/A	0	0	N/A

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected Program Year	Actual – Program Year	Percent Complete
Infrastructure Improvements	Non-Housing Community Development	CDBG: $0.00	Public Facility or Infrastructure Activities for Low- and moderate-income Housing Benefit	Households Assisted	20	0	0%	0	0	N/A
Infrastructure Improvements	Non-Housing Community Development	CDBG: $375,000	Public Facility or Infrastructure Activities other than Low- and moderate-income Housing Benefit	Persons Assisted	516	0	0%	3,461	0	N/A
Public Facilities	Non-Housing Community Development	CDBG: $0.00	Public Facility or Infrastructure Activities other than Low- and moderate-income Housing Benefit	Persons Assisted	10,000	0	0%	31,268	0	0.00%
Public Facilities		CDBG: $0.00	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	4	0	0.00%	0	0	N/A
Public Services	Public Services	CDBG: $155,750	Public service activities other than Low- and moderate-income Housing Benefit	Persons Assisted	6,250	7,916	127%	1,230	1,740	141%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

All activities funded in PY 2024/25 directly addressed high priorities and associated objectives which were identified in the 2020-2024 Consolidated Plan. Many of the activities funded in PY 2024-25 met or exceeded their goals. A few of the most significant of those are listed below:

- The Alliance on Aging exceeded their goal of serving 100 seniors.
- The South County Youth Program and Services exceeded their goal of serving 500 youth.
- The Pajaro Park Program exceeded their goal of serving 300 youth aged 3-15 by 183%.
- The MCHOME outreach program exceeded their goal of assisting 20 persons.
- The Meals on Wheels programs exceeded their goal of assisting 96 seniors by 17%.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG
White	580
Black or African American	59
Asian	18
American Indian or American Native	18
Native Hawaiian or Other Pacific Islander	7
Total	**682**
Hispanic	1,322
Not Hispanic	418

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The information in Table 2 represents CDBG funded programs. Overall, 1,740 persons/households were assisted in CDBG programs. Of the 1,740 for whom race, and ethnicity data was collected, 1,058 identified themselves as belonging to racial categories not provided for in Table 2. As a result, only 682 residents are reported in the race section of the table. All 1,740 of those served provided information on ethnicity. Of the 1,740 served, 1,322 (76 percent) identified themselves as Hispanic.

The County assisted additional persons/households through the ECHO fair housing program. This program is part of the CDBG administration funds and, therefore, racial and ethnic information is not included in Table 2. However, reports from ECHO showed that, of the 145 persons/households assisted during Fiscal Year (FY) 24/25, 133 identified as White, eight as Black or African American, and one as Asian. A total of 83 persons/households identified themselves as Hispanic.

According to the most recent Census data (2018-2023) on the County of Monterey overall, of those residents who identified as one race, 36.5 percent are White, 2.2 percent Black, 5.8 percent Asian, 0.8 percent American Indian/Alaska Native, 0.5 percent are Native Hawaiian or Other Pacific Islander, and 40.7 percent are Some Other Race. Approximately 14 percent of residents identified as two or more races and 60 percent identified their ethnicity as Hispanic. These percentages are inclusive of all residents inside Monterey County, including the CDBG Entitlement jurisdictions within the County boundaries, and do not necessarily represent the racial make-up of the service area of the Urban County.

The percentage of Whites served with CDBG funds in PY 2024/25 was approximately 38 percent, which is close to the percentage of Whites in the County of Monterey overall (37 percent). The percentage of Blacks, Asians, American Indian/American Natives, and Native Hawaiian or Other Pacific Islanders served was also similar to the percentages in the County of Monterey overall. Significantly, the percentage of residents who identified themselves as Some Other Race was higher at 56 percent, which is much higher than the County of Monterey overall (41 percent) and may be why the other single race categories were

lower. The percentage of those served identifying their Ethnicity as Hispanic was also higher (74.5 percent) than the County as a whole (60 percent). As noted above, this may be because the statistics for Monterey County include the Entitlement jurisdictions located within its boundaries, not just the Urban County's service area.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	$1,349,061	$860,458.46

Table 3 - Resources Made Available

Narrative

For PY 2024/25 the Urban County received $1,194,203 in CDBG Entitlement funds and estimated they would have $10,000 available in program income and $144,858 in prior year resources for a total of $1,349,061 in available CDBG funds. A total of $860,458.46 in CDBG funds were expended during PY 2024/25.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
N/A	N/A	N/A	N/A

Table 4 – Identify the geographic distribution and location of investments

Narrative

The County does not allocate funding geographically. All PY 2024/25 CDBG-funded programs were open to all those who wished to participate. In this way, all activities were available to all residents of the Urban County.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

During PY 2024/25, the County used CDBG to fund programs with agencies who also had access to a variety of other funding sources. Private funding from foundations, corporations, and individuals, as well as a variety of state and local funding sources, leveraged the CDBG funds each of those agencies received. As part of the application and reporting process, subrecipients report their total activity cost and the sources of funding. Based on that information, CDBG funding accounted for only a fraction of the activity costs reported by the subrecipients.

The County has some sources of funding for affordable housing. These include Inclusionary Housing In-Lieu fees, Program Income, and competitive State HOME funds. Many of these funds are being spent down and future funding will be at reduced levels. The County supports the Department of Social Services which administers Emergency Rental Assistance, the Homeless Housing, Assistance and Prevention funding, Housing Disability Advocacy Program, Bringing Families Home, and the CalWORKs Housing Support Program, which has expanded to include homeless prevention services.

The Urban County is leveraging other funds on several projects:

- An Exclusive Negotiation Agreement with an affordable housing developer to create affordable housing on a County-owned parcel. The land is valued at over $2.6 million dollars. Federal, State, and other local funds may be used. The project has entitlements and applications for other funding are underway.
- Development of the first phase of Greenfield Commons. In this phase, 100 units of the 200 unit affordable housing rental project were completed. The project is funded by an HCD Accelerator loan of over $55 million, a SERNA loan of over $9 million, almost $2 million from the County's Housing Trust Fund, and $35,000 in CDBG funds. The project has a temporary certificate of occupancy and is leasing out units to households earning 30-70% Area Median Income (AMI).
- Lightfighter Village is a 100% affordable rental property for veterans and their families which broke ground in April, 2023. Funding includes over $52 million in California Accelerator funds, Veteran' Housing and Homeless Prevention funds, No Place Like Home funds, U.S. Department of Housing and Urban Development (HUD) 811 funds, Project-Based Vouchers issued by the Monterey Housing Authority, and County Trust Fund funds. The project is complete and lease-up is taking place for households earning 30-50% AMI.

Matching Requirement

The CDBG program does not have a matching requirement.

Publicly-Owned Land or Property

- In 2020, the County entered a 10-year, zero-cost lease agreement with a partnership of two 501(c)(3) organizations, Community Human Services and Gathering for Women, for the on-going use of a parcel of land in the City of Seaside. Casa de Noche Buena a low-barrier emergency shelter for homeless individuals in the Monterey Peninsula. The site is used for emergency shelter and navigation services, and can accommodate 28-35 persons, depending on family size. Capital and funding for starting operations came from the Homeless Emergency Assistance Program in 2019. The program receives operational contributions from the Monterey peninsula cities, including Seaside, as well as the County. The Monterey County Department of Social Services has provided $100,000 in Homeless Housing, Assistance and Prevention and County homeless funds for operations of this program every year since FY 20-21.
- The Share Center at 855 East Laurel has been open since May 26, 2021, and is supported by County General Funds, California Permanent Local Housing Allocation grant funds, and City of Salinas contributions. This shelter has 124 beds.
- The Seaside Shelter, located at 1292 Olympia Avenue, is open and is a 35-bed year-round shelter.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	0	0
Number of Special-Needs households to be provided affordable housing units	0	0
Total	**0**	**0**

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	0	0
Number of households supported through Acquisition of Existing Units	0	0
Total	**0**	**0**

Table 6 – Number of Households Supported

The Urban County is participating in the development of several affordable housing projects as noted in CR-15 Leveraging section earlier in this document. County-owned land, No Place Like Home funds, and funds from the Permanent Local Housing Account play a key role in several projects. Lease up on two of these projects is occurring in PY 2025/26, at which time those benefiting will be reported in the tables above.

The County also has over $2.3 million dollars in State of California Housing and Community Development (HCD) HOME funds, which are program income from an HCD competitive HOME grant the County received in 2010. These funds were intended to use for downpayment assistance, but unfortunately, the HCD limits on sale prices and maximum assistance to be provided make the program infeasible, even in the more rural parts of the unincorporated County.

The Urban County does not receive Emergency Shelter Grants or HOME Program funds from HUD. The Urban County's 2020-2024 Con Plan did not establish goals related to developing affordable housing. No

goals were set for the use of CDBG funds for affordable housing in the PY 2024/25 Annual Action Plan. Given the need for infrastructure improvement in local low- and moderate-income communities, as well as the need for social services in those same communities, the County has determined those activities are the best use of CDBG funds.

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The Urban County is meeting the goals set in the PY 2024/25 Annual Action Plan and has not encountered any problems in meeting those goals. Two of the projects (Walnut Avenue Pedestrian Improvements and Del Rey Accessibility Improvements) have been funded but are still in the implementation process.

Discuss how these outcomes will impact future annual action plans.

The Urban County believes the programs and activities undertaken in PY 2024/25 effectively addressed the needs of the community. It will continue to use its CDBG entitlement funds to provide services that center on keeping low and moderate households in the homes in which they already reside and for infrastructure improvements. There is an ongoing need for infrastructure projects in low and mod income communities and to make public facilities and parks accessible.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	0	0
Low-income	0	0
Moderate-income	0	0
Total	**0**	**0**

Table 7 – Number of Households Served

Narrative Information

The Urban County did not use CDBG funds to provide affordable housing.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Urban County works primarily through third parties to conduct regular outreach and assessment of homeless persons. These organizations include the Coalition of Homeless Service Providers (CHSP), Community Human Services, the County Department of Social Services, and the Veterans Transition Center. In PY 2024/25, the Urban County used CDBG to fund Interim Inc. directly to conduct outreach to the unhoused population, determine their individual needs, provide emergency shelter options, and provide linkages to support services and resources designed to set them on a successful path to transitional or permanent housing. The goal of Interim Inc was to reach 20 unhoused persons. A total of 21 unhoused persons were assisted in PY 2024/25.

Through the CHSP several teams outreach directly to the unhoused. The CHSP serves as the local Continuum of Care (COC) lead agency, administrator of the Homeless Management Information System, the coordinated entry system, and is responsible for the implementation of the 5 Year Plan to Reduce Homelessness. CHSP's membership consists of over 20 not-for-profit organizations who share the mission of ending homelessness. These outreach teams provide assessments, help with encampment clean-up, food and medical services, linkages to services, and mobile case management.

The County continues to invest in a wide-array of homelessness programs like low-barrier navigation centers, street outreach, rapid re-housing, and transitional/permanent supportive housing interventions. County Dept of Social Services established a grievance procedure for clients who have concerns about a County-funded program.

The County is also involved in assessing the needs of the unsheltered living in encampments on a regional level. In PY 2024/25, the County of Monterey Department of Social Services invested in street outreach conducted on the streets and in homeless encampments. The outreach staff evaluate the needs of each person encountered and assist with finding resources to meet their needs, including emergency and permanent housing.

Understanding the needs of people experiencing homelessness, particularly those who are unsheltered, requires consultation to ensure strategies and policies meet their needs. The County is deeply involved in collaborating with several different agencies who are consulting with these advisory groups in a variety of ways.

- The County holds four permanent seats on the local COC governing board which are reserved for the directors of the Department of Social Services, Department of Health, and County Administrative Office Homelessness Strategies and Initiatives, along with a Monterey County Supervisor. The COC convenes committees in which County staff are actively collaborating with people with lived experience.
- The County sponsors the annual Lead Me Home Summit on Homelessness, where the voices of people

with lived experience are lifted up and decision-makers are able to learn about root-causes of homelessness, best practices, and innovative solutions.

Addressing the emergency shelter and transitional housing needs of homeless persons

As noted earlier, the County of Monterey works primarily through third parties to conduct regular outreach and assessment of homeless persons. These organizations include the Coalition of Homeless Service Providers, Community Human Services, the County Department of Social Services, Interim, Inc., and the Veterans Transition Center.

The Interim Inc. MCHOME Program will provide both emergency shelter and linkages to resources that can assist homeless individuals with obtaining transitional housing.

In 2020, the County entered a 10-year, zero-cost lease agreement with a partnership of two 501(c)(3) organizations, Community Human Services and Gathering for Women, for the on-going use of a parcel of land in the City of Seaside. Casa de Noche Buena is a low-barrier emergency shelter for single women and families with children in the Monterey Peninsula. The site is used for emergency shelter and navigation services, and can accommodate 28-35 persons, depending on family size. Capital and funding for starting operations came from the Homeless Emergency Assistance Program (HEAP) in 2019. The program receives operational contributions from the Monterey Peninsula cities, including Seaside, as well as the County. The Monterey County Department of Social Services has provided $100,000 in Homeless Housing, Assistance and Prevention (HHAP) and County homeless funds for operations of this program every year since FY 20-21.

The County participated in the development of the SHARE Center which has 100-110 beds (depending on family size) and offers wrap around services for the people experiencing homelessness. Funding for the construction of the SHARE Center was solely funded by HEAP; however, the City of Salinas and County use Emergency Solutions Grants Program (ESG), ESG-CV, Measure G Capital Improvement Program (CIP), Supported Employment in State Government (SESG), HHAP, and general funds for operations. Additionally, the County continues to support the SHARE Center in its efforts to outreach to the homeless by contributing $1.5 million from its Permanent Local Housing Allocation.

The County also uses significant resources to serve people experiencing homelessness and suffer from a severe mental health illness or substance use disorder, through Behavioral Health Bridge Housing funding that added 110 beds.

Other efforts and funding include:

- $8 million Encampment Resolution Funding grant that will build 34 non-congregate units to serve as a Low Barrier Navigation Center.
- $4 million Encampment Resolution Funding grant that will build 16 non-congregate units to serve as a low barrier interim housing facility.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities,

mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In FY 2024-25, the Urban County used CDBG to fund four agencies providing services which impact the stability of housing for residents throughout the region, thereby avoiding possible homelessness as shown below:

- A grant to provide Fair Housing services to Eden Council for Hope and Opportunity (ECHO). The EHCO program is funded under the Administration Cap and is available to all residents in the County.
- A grant to the Alliance on Aging to provide senior services outreach. 108 seniors were assisted.
- Grants to two different agencies providing much-needed meals-on-wheels services. Together these programs served 112 seniors.

Additionally, the County:

- Has an active Memorandum of Understanding with the Public Housing Authority and Continuum of Care to provide eligible transition-aged youth who are aging out of foster care with Foster Youth for Independence Vouchers;
- Is in the process of developing a new Recuperative Care Center for individuals being discharged from hospitals; and
- Has opened a Re-Entry Center for people being discharged from County jail;
- Has several Prop 47 grants to serve people being discharged or being diverted from jails and prisons.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Urban County used CDBG funds in PY 2024/25 to directly fund Interim Inc. to conduct outreach to the homeless and provide emergency housing and linkages to support services and resources designed to set them on a successful path to transitional and permanent housing.

The Urban County works primarily through third parties, including the Coalition of Homeless Service Providers, Community Human Services, the County Department of Social Services, and the Veterans Transition Center to provide linkages to supportive services to assist the formerly homeless to move to permanent housing. Those services also work to ensure that the formerly homeless maintain permanent housing and a stable living environment and do not become homeless again. The Urban County continues

to rely on that vast network of public and nonprofit agencies to help those experiencing homelessness make the transition to permanent housing and independent living.

Additional efforts to assist chronically homeless households transition from homelessness to housed includes:

- Investing $6 million to the Public Housing Authority and City of King to develop a 55-unit permanent supportive housing project specifically for individuals who were chronically homeless and living along the Salinas River;
- Investing $4 million into a low-barrier interim housing facility in Soledad to provide shelter and housing navigation/rapid re-housing services to chronically homeless individuals living along the Salinas River;
- Investing $8 million into the development of a Low Barrier Navigation Center to provide shelter and housing navigation/rapid re-housing services to chronically homeless individuals living along the Pajaro River;
- Investing $2.5 million into the development of a permanent supportive housing program in partnership with the City of Salinas and Housing Authority;
- Pairing rapid rehousing funding with emergency shelters wherever possible; and
- Resourcing community-based organizations with rapid rehousing funding through the State's Housing and Disability Advocacy Program, Housing Support Program, and HOME Safe.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The Housing Authority County of Monterey (HACM) is the Public Housing Authority (PHA) and the public agency that provides rental assistance and manages affordable housing throughout Monterey County. The HACM has established the Monterey County Housing Authority Development Corporation (HDC) to manage former public housing developments. There are 22 properties with 1,091 units under HDC management. Approximately one-quarter of the units are restricted to farmworker families. Another quarter of the units are restricted to seniors or persons with disabilities.

Beginning in 2015, the HACM initiated the process of converting the public housing developments into project-based rental assistance units through HUD's Rental Assistance Demonstration program. That conversion process has been completed.

Six HDC-managed affordable housing projects are in the Urban County area.

- 48-unit Paseo de las Rosas in Castroville – restricted to farmworkers
- 29-unit Vista del Valle in Chualar – restricted to farmworkers
- 79-unit Rippling River in Carmel Valley – restricted to seniors or persons with disabilities
- 20-unit Casa de Oro in Gonzales – restricted to seniors or persons with disabilities
- 30-unit Casa Santa Lucia in Gonzales
- 50-unit Los Ositos in Greenfield – restricted to seniors

There are currently no housing developments located in Sand City or Del Rey Oaks.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

The HACM/HDC do not have programs that encourage or prepare residents to become homeowners, but they do promote a range of activities to increase resident involvement in its housing program including:

- Requiring each adult household member to participate in eight hours of community service.
- Conducting tenant meetings to receive input from residents.
- Conducting specific meetings before the HACM Board of Directors regarding tenant involvement.
- Encouraging the creation of neighborhood watch programs.

Actions taken to provide assistance to troubled PHAs

The Housing Authority of the County of Monterey is not designated as "troubled" and did not require assistance from the Urban County.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

Many of the State and federal public policies designed to protect workers and the environment can have the unintended consequence of significantly increasing the cost of construction, making it that much more difficult to develop affordable housing. The County has no control over these policies and cannot reduce their impacts on the development of affordable housing. However, the County is working to remove or ameliorate negative effects of public policies when possible.

The Urban County is currently in the process of updating the Housing Element of the General Plan (Housing Element) for the 6th Cycle – 2023-2031. The current approved 2015-2023 Housing Element will remain in place until the new Housing Element is adopted. The County's Housing Element covers only the unincorporated county direct jurisdiction. The cities of Gonzales, Del Rey Oaks, Greenfield, Sand City their own individual Housing Elements.

The County's Housing Element identifies the various constraints which impact the development of affordable housing and has put in place policies and programs which are designed to reduce those constraints. Several programs in the 2015-2023 Housing Element were designed to proactively encourage the development of affordable housing including the Affordable Housing Overlay, Inclusionary Housing Policy, and Density Bonus Ordinance. According to the 2024 Housing Element Annual Progress Report, the County continues to make progress on several programs designed to remove barriers to affordable housing, including:

- Implementing the requirements of Title 21, specific to the community of Castroville
- Using a combination of rezoning, incentives, concessions, waivers, and other modifications to encouraging the development of 1,848 affordable units
- Preparing a nexus study to adjust or eliminate the Traffic Impact Fee imposed by the Castroville Community Plan.
- Preparation of a Community Plan for the Moss Landing community.

In accordance with State law, the Urban County will continue to foster and maintain affordable housing development through the following:

- Streamline affordable housing development, including exempting certain projects from the California Environmental Quality Act (CEQA) processing.
- Develop objective standards to facilitate housing development.
- Where feasible, waive, reduce, or defer fees for affordable housing

- Allow certain types of housing by right without discretionary review to streamline housing development

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The Urban County uses CDBG funds to sponsor smaller, targeted programs for underserved populations which are concentrated in the communities of Monterey, Salinas, and Seaside. The Urban County's most underserved populations are the unsheltered and youth. In addition to the extensive efforts to assist the homeless as noted in prior sections, the County used PY 2024/25 CDBG funds to support youth and homeless programs including:

- Interim Inc. is funded to provide emergency housing for the homeless and linkage to support services and resources.
- Girls, Inc of the Central Coast uses CDBG funds to provide programs for elementary, middle school, and high school youth to avoid peer pressure and develop healthy confidence and leadership skills.
- The Central Coast YMCA was awarded CDBG funds to operate a youth sports leagues in the low- and moderate-income in the Pajaro community.
- Using CDBG funds, the Boys and Girls Club of Monterey County provides school supplies, education and support to at-risk youth at the Camphora, Alta, and Tower apartments.

The Urban County will continue to foster relationships with the existing network of public and nonprofit agencies to deliver a variety of housing and supportive services for the homeless and youth in the community and help bridge the funding gap by allocating CDBG funds to these agencies. These organizations include the Coalition of Homeless Service Providers, Community Human Services, the County Department of Social Services, and the Veterans Transition Center. County departments actively pursue other State and federal funding to assist people in unstable living environments.

Other actions taken to address obstacles to meeting underserved needs are:

- Continual community engagement surveys, listening sessions, and townhalls;
- The Monterey County Interdepartmental Committee on Homelessness, that hosts representatives from key departments like the County's Housing and Community Development Department, Social Services Department, Health Services Department, County Administrative Office, Public Works, Facilities, and Parks, Sheriff's Office, and Libraries.
- The Stepping Up Initiative, which brings together representatives from the Behavioral Health Bureau, Military Veterans and Affairs Office, Public Defenders, Health Department, Courts, District Attorney, Sheriff's Office, and County Administrative Office;
- CalAIM Planning effort, which is to investigate the State's Medi-Cal waiver implementation and increase collaboration across county departments through a system mapping exercise and recommendations to improve services.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

In Monterey County, lead poisoning is addressed by the Monterey County Health Department Childhood Lead Poisoning Prevention Program (CLPPP). CLPPP provides services to the community to:

- Increase awareness of the hazards of lead exposure
- Reduce lead exposure
- Increase the number of children assessed and appropriately blood tested for lead poisoning

A public health nurse provides home visitation and case management, and a registered environmental health specialist provides environmental home inspections to families of children found to be severely lead-poisoned.

The Urban County provides information on the dangers of lead-based-paint to the public through informational flyers available at the Planning Counter. Local code enforcement staff will continue to provide information on lead-based paint hazards and resources to abatement.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The Urban County seeks to assist people living in poverty (extremely low-income households earning less than 30% of the AMI) by providing funding for programs including food security services, housing assistance, supportive services, economic development assistance, and job training opportunities. In PY 2024/25, the Urban County again provided CDBG funding to the Boys & Girls Club, Girls, Inc., and the Central Coast YMCA to provide youth leadership training and development with the goal of giving the next generation more resources and skills to break the cycle of poverty.

The Urban County partners with the Workforce Development Board and other social service and nonprofit agencies to encourage private sector development of higher paying jobs and job/vocational training for residents of the County. The Urban County's Economic Development Department works with the private sector to encourage the development of higher paying jobs.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

There are gaps in the geographic coverage within the Urban County. Most affordable housing and licensed care facilities in the County are found in Salinas and Monterey. Most services follow this trend. For the Urban County, allocating up to 15 percent of the CDBG funds for supportive services is an important step in addressing gaps in the service delivery system. A portion of the CDBG funds is also used to address costs associated with program delivery.

In addition, the County Homeless Services Director position represents the County's commitment to developing institutional structure. The Director works with all Urban County Departments to help guide the County's approach to homelessness. Urban County staff are working with the Homeless Services Director and continue to communicate with HUD staff, consult with neighboring CDBG jurisdictions, and attend HUD trainings to expand their knowledge of the CDBG program.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The Urban County works with Coalition of Homeless Services Providers (CHSP), which in 2021 prepared the Lead Me Home Plan entitled 5 Year Plan to Reduce Homelessness in Monterey and San Benito Counties, June 2021 to June 2026 (Plan). The CHSP includes a wide array of agencies working in coordination to address homelessness. As the COC lead agency, the CHSP supports the COC governing body which include county staff, elected officials, youth and veteran-serving non-profits, affordable housing developers, fair housing agencies, direct service providers, the Housing Authority of the County of Monterey, People with Lived Experience, and other government other entities.

Activities to enhance coordination in PY 2024/25, included inviting private housing and social service agencies were invited to attend public meetings related to the CDBG program and to apply for CDBG funding. The Urban County continued to maintain and expand the outreach list for the CDBG program.

As noted earlier in this section, the Urban County's Homeless Services Director works with other Urban County Departments and a wide variety of local and regional agencies to develop a coordinated approach to homelessness. This coordination includes working consistently with all Urban County Departments, other governmental agencies, health and mental healthcare agencies, public health agencies, economic development agencies, and law enforcement and emergency management agencies. The Homeless Services Director also serves on the Advisory Committee of the California Interagency Council on Homelessness, a state-wide organization whose mission is to fund and facilitate the preservation and expansion of safe, affordable housing and advancing statewide collaborative efforts to prevent and end homelessness.

In PY 2024/25, the Homeless Services Director developed an Encampment Response Policy and Procedures, in accordance with the Governor's Order N-1-24. These procedures are based on a comprehensive, deliberate, and compassionate approach to address encampments on public lands within unincorporated areas of the County. The Director meets weekly with the Housing Authority of the County of Monterey and serves on many COC-led committees.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

HUD no longer requires the Analysis of Impediments to Fair Housing Choice.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The Urban County uses the City Data Services (CDS) system to track activities and expenditures of CDBG funds. In PY 2024/25, no invoices were paid until the associated reports on activities were received. Urban County staff kept in contact with Subrecipients by phone and email and tracked the timely submission of reports and invoices in CDS. Urban County staff also recommends to the Subrecipients that they read the "Playing by the Rules" guidebook produced by HUD, and it encourages Subrecipients to contact Urban County if additional technical assistance is needed.

In PY 2024/25, County staff conducted on-site monitoring visits to seven CDBG-funded agencies to ensure funds were being used consist with the approved scope and that HUD requirements were being met.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The County published notices announcing the availability of the PY 2024/25 CAPER for a public comment in both Spanish and English for a period from August 14 to September 16, 2025. Notices were published in the and Monterey County Weekly in English and Spanish. The Urban County made the PY 2024/25 CAPER available for review at the County's Housing and Economic Development Office in Salinas and at each participating jurisdictions' City Hall. The CAPER is also available on the County's website.

The notice informed residents where to submit written comments and when the Board of Supervisors would consider the CAPER. The CAPER public hearing notices were published for 30 days, which is longer than the HUD minimum of 15 days.

The Monterey County Board of Supervisors conducted a public hearing on the PY 2024/25 CAPER on September 16, 2025. The Urban County did not receive any public comments prior to or during the public hearing.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

During PY 2024/25, the County did not have any Substantial Amendments or other changes to objectives.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Not applicable.

CR-58 – Section 3

Narrative

During PY 24/25, construction on the Solar Empowerment project at the Veteran's Transition Center was completed; however, the County is working with the contractor on final punch list items and the project will be closed in PY 25/26 and Section 3 will be reported in PY 25/26.

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours	0	0	0	0	0
Total Section 3 Worker Hours	0	0	0	0	0
Total Targeted Section 3 Worker Hours	0	0	0	0	0

Table 8 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0	0	0	0	0
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	0	0	0	0	0
Direct, on-the job training (including apprenticeships).	0	0	0	0	0
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0	0	0	0	0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	0	0	0	0	0
Outreach efforts to identify and secure bids from Section 3 business concerns.	0	0	0	0	0
Technical assistance to help Section 3 business concerns understand and bid on contracts.	0	0	0	0	0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	0	0	0	0	0
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	0	0	0	0	0
Held one or more job fairs.	0	0	0	0	0
Provided or connected residents with supportive services that can provide direct services or referrals.	0	0	0	0	0

Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0	0	0	0	0
Assisted residents with finding child care.	0	0	0	0	0
Assisted residents to apply for, or attend community college or a four year educational institution.	0	0	0	0	0
Assisted residents to apply for, or attend vocational/technical training.	0	0	0	0	0
Assisted residents to obtain financial literacy training and/or coaching.	0	0	0	0	0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0	0	0	0	0
Provided or connected residents with training on computer use or online technologies.	0	0	0	0	0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0	0	0	0	0
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0	0	0	0	0
Other:	0	0	0	0	0

Table 9 – Qualitative Efforts - Number of Activities by Program

County of Monterey

Board Report

Legistar File Number: 25-585

Item No.25

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/7/2025
Version: 1

Current Status: Scheduled PM
Matter Type: General Agenda Item

a. Receive a presentation from Department of Emergency Management and partners, concerning the MOSS 300 site clean-up at the Moss Landing Battery Energy Storage System facility; and
b. Provide direction to staff as appropriate

County of Monterey

Board Report

Legistar File Number: 25-585

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/7/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

a. Receive a presentation from Department of Emergency Management and partners, concerning the MOSS 300 site clean-up at the Moss Landing Battery Energy Storage System facility; and
b. Provide direction to staff as appropriate

Introduced: 9/4/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

Receive a referral from the Legislative Committee requesting that the Board consider a position on Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment on the California special election ballot on November 4, 2025.

RECOMMENDATION:
It is recommended that the Board of Supervisors receive a referral from the Legislative Committee requesting that the Board consider a position on Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment on the California special election ballot on November 4, 2025.

SUMMARY:
The Legislative Committee met on September 8, 2025, and reviewed Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment. Proposition 50 will appear on California's special election ballot as a legislative referred constitutional amendment on November 4, 2025. The Legislative Committee received information, discussed, and referred Proposition 50 to the Board of Supervisors for consideration.

DISCUSSION:
The California legislature passed three measures to temporarily require new congressional district maps be used in California's congressional elections through 2030.

- AB 604 (Aguiar-Curry/Gonzalez) Redistricting: Congressional districts. - This bill specified the maps that define the congressional districts for the special election vote.
- ACA 8 (Pellerin) Ballot Initiative - Proposition 50 - Congressional Redistricting. - This measure, notwithstanding the authority of the Citizens Redistricting Commission, requires the state to temporarily use the congressional districts reflected in AB 604 of the 2025-26 Regular Session for every congressional election until the new congressional boundary lines are drawn by the commission in 2031.
- SB 280 (Cervantes) Elections. - This bill calls for a special election in November.

AB 604, the map amendment, has become Proposition 50, as AB 604 cannot take effect without voter approval. A special election will now be held on November 4 of this year, allowing voters to approve the new congressional maps.

Proposition 50: the Use of Legislative Congressional Redistricting Map Amendment.

Legislatively Referred Constitutional Amendment.

Proposition 50 authorizes the state to use a new congressional district map from Assembly Bill 604 (AB 604). The new congressional district map would be used to elect members of the U.S. House of Representatives from 2026 through 2030. The proposed map would replace existing maps, which the 14-member Citizens Redistricting Commission adopted on December 27, 2021, for elections from 2022 through 2040. Proposition 50 would provide that the Citizens Redistricting Commission will redraw congressional districts following the next census in 2031.

A "YES" vote on Proposition 50 supports amending the California Constitution to allow the state to use a new congressional district map for 2026 through 2030. The new congressional district map is included in AB 604.

A "NO" vote on Proposition 50 opposes the constitutional amendment, keeping the existing congressional districts map in place. The 14-member Citizens Redistricting Commission adopted the existing congressional district maps on December 27, 2021, for use in elections from 2022 through 2030.

The purpose of the Proposition is to nullify redistricting in Texas, which will likely add five additional seats to the Republican Party. By taking this action, California will give the California Democratic Party a greater chance of picking up five more seats currently held by Republicans in the U.S. House of Representatives during the 2026 midterm elections. The maps would also help shore up seats barely held by Democrats in five other districts.

Proposition 50 is supported by a mix of political leaders, labor unions, and progressive organizations who see the measure as a strategic response to Republican-led redistricting efforts in states like Texas. The largest donor to the support campaign is the House Majority PAC, which has contributed $3.5 million. Proposition 50 is opposed by a mix of conservative groups, and Republican lawmakers. The largest donor to the opposition campaign is Charles T. Munger, Jr., who contributed $20.1 million.

The Secretary of State's Official Voter Information Guide for California's Special Election on Tuesday, November 4, 2025, is not yet available.

The Legislative Analyst Office (LAO) published a report on Proposition 50 - Exhibit A.

Additional information on Proposition 50 is available at https://ballotpedia.org including an extensive list of those supporting/opposing the measure.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
On September 8, 2025, the Legislative Committee received a report on Proposition 50 from the County's state lobbyist, Ashley Walker of Nossaman LLP, and referred Proposition 50 to the Board of Supervisors for consideration without a recommendation. Information contained in this report was also provided by Nossaman LLP.

FINANCING:
According to the State Legislative Analyst's Office (LAO), Proposition 50 will have minor one-time costs to county and state election officials. Per the LAO report "Counties run elections, and the state oversees them. Because most congressional districts in California would change at least some under the new maps, county and state elections officials would need to update election materials. This would result in one-time costs to counties of up to a few million dollars statewide and one-time costs to the state of roughly $200,000." - Exhibit A.

On September 5, 2025, the Department of Finance (DOF) sent a letter to the State Controller requesting that $251,306,359 be allocated in fiscal year 2025-26 for the November 4, 2025, statewide special election. Of those funds, $3.5 million will be allocated to the County of Monterey. If a County does not use all the money, it will be permitted to retain the extra funds for future elections.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
Recommendations in this report could potentially impact every area of the Board's Strategic Goals.

Mark a check to the related Board of Supervisors Strategic Plan Goals:
X Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
X Safe and Resilient Communities
X Diverse and Thriving Economy

If does not fall under any of the above Board of Supervisors Strategic Plan Goals (Other):
_ Administrative

Prepared by: Annette D'Adamo, Legislative Program Manager, x3045
Approved by: Nicholas E. Chiulos, Chief Assistant CAO, x5145

Attachments:
Exhibit A - LAO Report on Proposition 50

Introduced: 9/4/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** Other Board Matters

Receive a referral from the Legislative Committee requesting that the Board consider a position on Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment on the California special election ballot on November 4, 2025.

RECOMMENDATION:

It is recommended that the Board of Supervisors receive a referral from the Legislative Committee requesting that the Board consider a position on Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment on the California special election ballot on November 4, 2025.

SUMMARY:

The Legislative Committee met on September 8, 2025, and reviewed Proposition 50, the Use of Legislative Congressional Redistricting Map Amendment. Proposition 50 will appear on California's special election ballot as a legislative referred constitutional amendment on November 4, 2025. The Legislative Committee received information, discussed, and referred Proposition 50 to the Board of Supervisors for consideration.

DISCUSSION:

The California legislature passed three measures to temporarily require new congressional district maps be used in California's congressional elections through 2030.

- AB 604 (Aguiar-Curry/Gonzalez) Redistricting: Congressional districts. - This bill specified the maps that define the congressional districts for the special election vote.
- ACA 8 (Pellerin) Ballot Initiative - Proposition 50 - Congressional Redistricting. - This measure, notwithstanding the authority of the Citizens Redistricting Commission, requires the state to temporarily use the congressional districts reflected in AB 604 of the 2025-26 Regular Session for every congressional election until the new congressional boundary lines are drawn by the commission in 2031.
- SB 280 (Cervantes) Elections. - This bill calls for a special election in November.

AB 604, the map amendment, has become Proposition 50, as AB 604 cannot take effect without voter approval. A special election will now be held on November 4 of this year, allowing voters to approve the new congressional maps.

Proposition 50: the Use of Legislative Congressional Redistricting Map Amendment.
Legislatively Referred Constitutional Amendment.

Proposition 50 authorizes the state to use a new congressional district map from Assembly Bill 604 (AB 604). The new congressional district map would be used to elect members of the U.S. House of Representatives from 2026 through 2030. The proposed map would replace existing maps, which the 14-member Citizens Redistricting Commission adopted on December 27, 2021, for elections from 2022 through 2040. Proposition 50 would provide that the Citizens Redistricting Commission will redraw congressional districts following the next census in 2031.

A "YES" vote on Proposition 50 supports amending the California Constitution to allow the state to use a new congressional district map for 2026 through 2030. The new congressional district map is included in AB 604.

A "NO" vote on Proposition 50 opposes the constitutional amendment, keeping the existing congressional districts map in place. The 14-member Citizens Redistricting Commission adopted the existing congressional district maps on December 27, 2021, for use in elections from 2022 through 2030.

The purpose of the Proposition is to nullify redistricting in Texas, which will likely add five additional seats to the Republican Party. By taking this action, California will give the California Democratic Party a greater chance of picking up five more seats currently held by Republicans in the U.S. House of Representatives during the 2026 midterm elections. The maps would also help shore up seats barely held by Democrats in five other districts.

Proposition 50 is supported by a mix of political leaders, labor unions, and progressive organizations who see the measure as a strategic response to Republican-led redistricting efforts in states like Texas. The largest donor to the support campaign is the House Majority PAC, which has contributed $3.5 million. Proposition 50 is opposed by a mix of conservative groups, and Republican lawmakers. The largest donor to the opposition campaign is Charles T. Munger, Jr., who contributed $20.1 million.

The Secretary of State's Official Voter Information Guide for California's Special Election on Tuesday, November 4, 2025, is not yet available.

The Legislative Analyst Office (LAO) published a report on Proposition 50 - Exhibit A.

Additional information on Proposition 50 is available at https://ballotpedia.org including an extensive list of those supporting/opposing the measure.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
On September 8, 2025, the Legislative Committee received a report on Proposition 50 from the County's state lobbyist, Ashley Walker of Nossaman LLP, and referred Proposition 50 to the Board of Supervisors for consideration without a recommendation. Information contained in this report was also provided by Nossaman LLP.

FINANCING:
According to the State Legislative Analyst's Office (LAO), Proposition 50 will have minor one-time costs to county and state election officials. Per the LAO report "Counties run elections, and the state oversees them. Because most congressional districts in California would change at least some under the

new maps, county and state elections officials would need to update election materials. This would result in one-time costs to counties of up to a few million dollars statewide and one-time costs to the state of roughly $200,000." - Exhibit A.

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Prepared by: Annette D'Adamo, Legislative Program Manager, x3045
Approved by: Nicholas E. Chiulos, Chief Assistant CAO, x5145

Attachments:
Exhibit A - LAO Report on Proposition 50

Notice of Correction: On 8/27/25 we submitted to the Secretary of State's office (SOS) an inaccurate visual depiction of a map [Figure 6] found on page 9 of our analysis. The correct visual depiction of the map was submitted to the SOS on 8/29/25 and is now posted.

LAO

PROPOSITION 50

Authorizes Temporary Changes to Congressional District Maps in Response to Texas' Partisan Redistricting. Legislative Constitutional Amendment.

ANALYSIS OF MEASURE

BACKGROUND

U.S. Congress

U.S. Congress. The U.S. Congress is the part of the federal government that makes laws. Congress has two parts: the U.S. Senate and the U.S. House of Representatives (House). Each of the 50 states is represented by 2 senators, with 100 senators in total. The House has 435 members. The number of representatives in the House for each state depends on how many people live in that state. Each member in the House represents an area of the state called a congressional district. California currently has 52 congressional districts. Voters who live in each congressional district elect one member of the House every two years to represent them. The next election for all 435 representatives will be in 2026.

U.S. Census Counts States' Populations Every Ten Years. The number of people living in an area goes up and down over time. Every ten years, the U.S. Census counts the number of people who live in the U.S. The last census was in 2020, and the next census is in 2030. This count is used to determine how many people live in each state and how many representatives in the House each state gets for the next ten years.

Congressional Redistricting

Each State Draws Congressional District Maps Following the U.S. Census. Every ten years, after the U.S. Census is completed, states draw new congressional district maps to reflect their number of House representatives and where people live. This process is called "redistricting." Each state decides what process to use to draw its new district maps. When drawing new maps, each state must follow federal laws. For example, each congressional district in the state must represent about the same number of people.

States Typically Do Not Redistrict Sooner Than Every Ten Years. States typically only draw congressional district maps every ten years, unless a court orders changes to comply with the law. In August 2025, however, the Texas Legislature passed a bill to adopt new maps for the 2026 elections without a court order. Several other states also are considering changes to their maps before the 2026 elections.

Congressional Redistricting in California. State legislatures draw congressional district maps in most states, but some states use commissions to do this job. Before 2010, the California Legislature drew the state's congressional district maps. In 2010, California voters gave this job to an independent commission known as the California Citizens Redistricting Commission (Commission). The Commission includes 14 members: 5 Democratic members, 5 Republican members, and 4 members who are not registered with either of those political parties. When the Commission draws new congressional district maps, it must follow federal and state laws. For example, state law requires, among other things, the Commission to avoid splitting up neighborhoods or local communities of interest to the extent possible. State law also prohibits the Commission from considering political parties, current office holders, or people running for office when it draws the maps.

Current California Congressional Districts. The Commission drew the current maps for California's 52 congressional districts. These maps were based on the 2020 U.S. Census and have been used since the 2022 congressional elections.

PROPOSAL

California's Congressional District Maps

Use Legislatively Drawn Congressional District Maps Until After the Next Census. Proposition 50 replaces California's current congressional district maps with new, legislatively drawn maps. (The total number of districts would not change.) Proposition 50's maps must follow federal law, but they are not required to follow the state requirements placed on the Commission. The state would use Proposition 50's maps for congressional elections starting in 2026. The state would use these maps until the Commission draws new district maps, following the 2030 U.S. Census.

National Congressional Redistricting

Call for Change in Federal Law. Proposition 50 asks the U.S. Congress to change federal law and propose an amendment to the U.S. Constitution to require redistricting be done by "fair, independent, and nonpartisan redistricting commissions nationwide." Proposition 50 expresses voter support for this idea, but does not change federal law or require any particular action of Congress or the California Legislature.

Fiscal Effects

Minor One-Time Costs to County and State Elections Officials. Counties run elections, and the state oversees them. Because most congressional districts in California would change at least some under the new maps, county and state elections officials would need to update election materials. This would result in one-time costs to counties of **up to a few million dollars** statewide and one-time costs to the state of **roughly $200,000**. The state amount is much less than one-tenth of 1 percent (0.1 percent) of the state's roughly $220 billion General Fund budget. (The General Fund is the account the state uses to pay for most public services, including education, health care, and prisons.)

Current and Proposed Congressional District Maps

This section shows maps of the current and proposed congressional districts (1) statewide, as shown in Figures 1 and 2; (2) in the northern part of the state, as shown in Figures 3 and 4; and (3) in the southern part of the state, as shown in Figures 5 and 6. A description of the census blocks represented by each district in the proposed maps can be found at the following website: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB604

Figure 1

Current Congressional Districts

Note: See northern and southern congressional district maps for district numbers for the Bay Area and Los Angeles regions. Map reflects data posted to the California Citizens Redistricting Commission website.

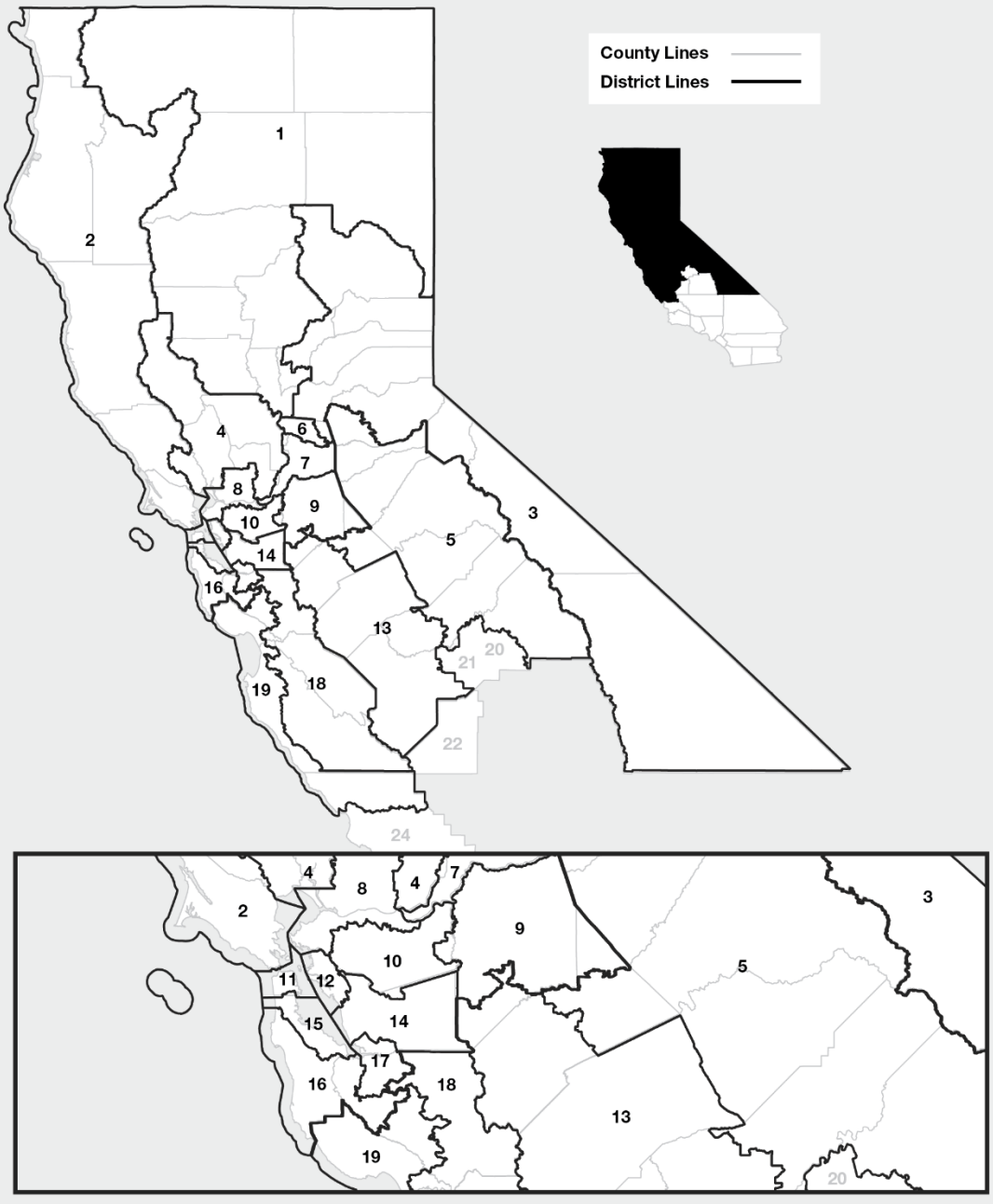
Figure 2

Proposed Congressional Districts

Note: See northern and southern congressional district maps for district numbers for the Bay Area and Los Angeles regions. Map reflects data posted to the California Legislature elections committees' (Assembly Elections Committee and Senate Elections and Constitutional Amendments Committee) websites.

Figure 3

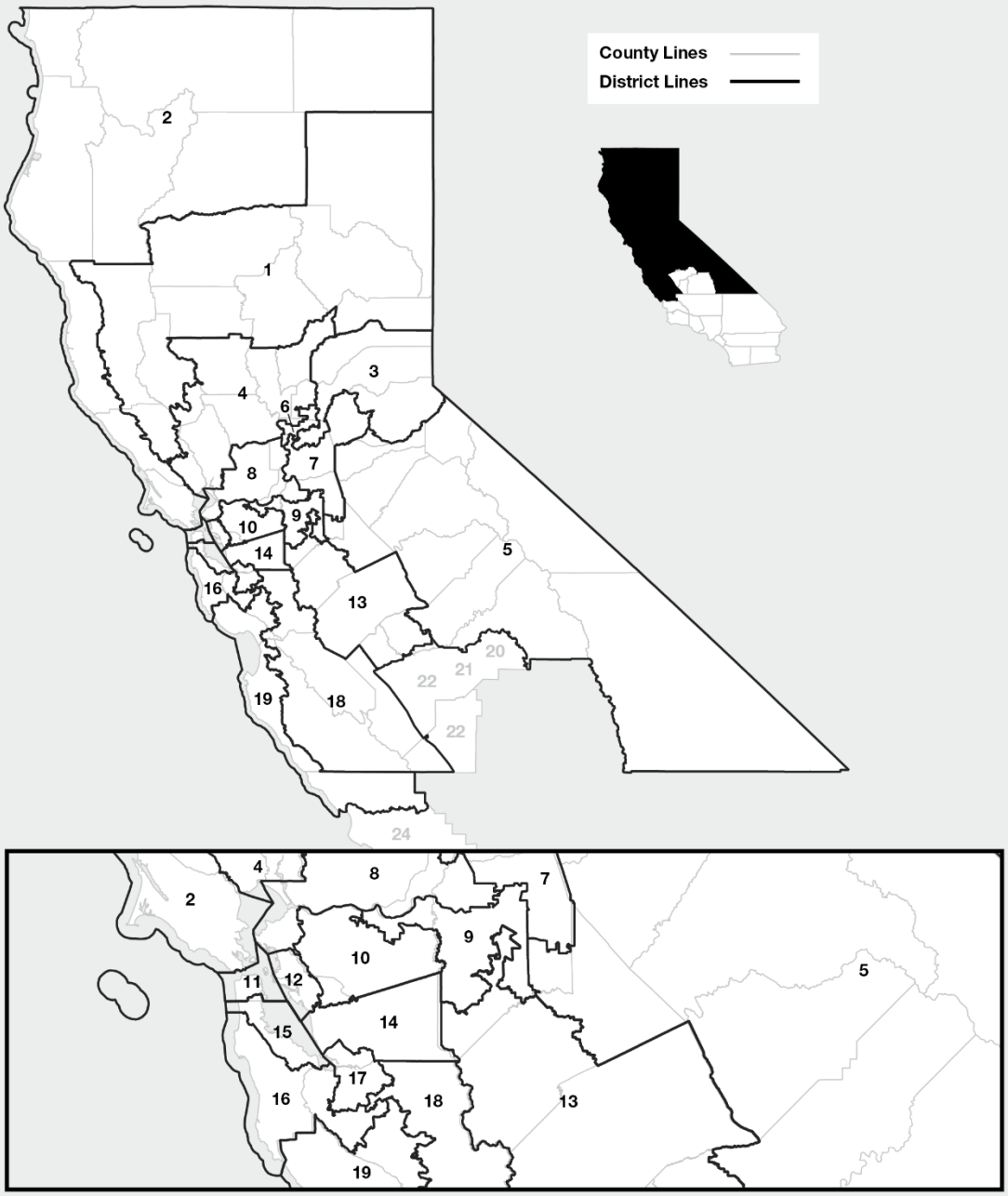
Current Northern Congressional Districts



Note: Map reflects data posted to the California Citizens Redistricting Commission website.

Figure 4

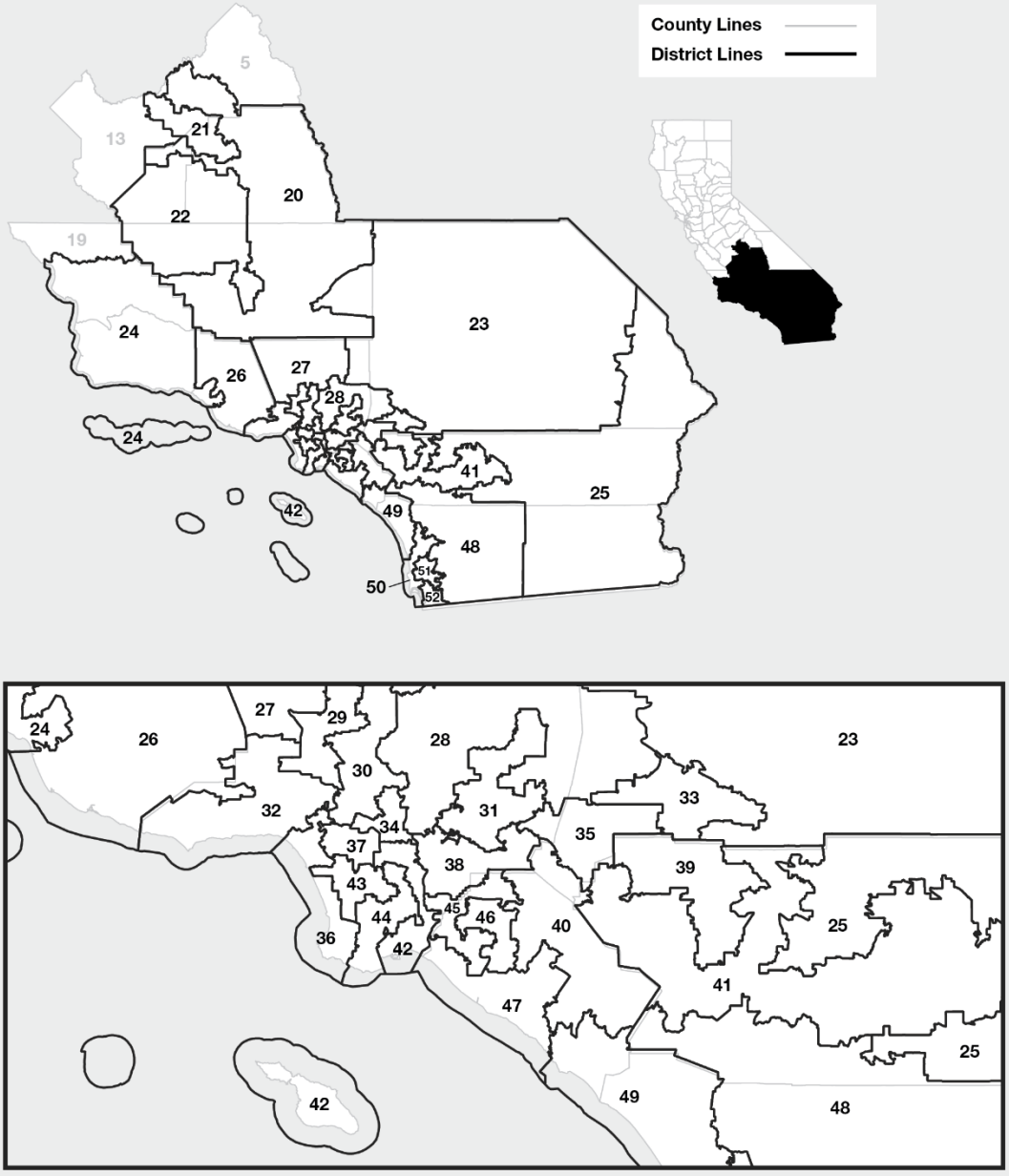
Proposed Northern Congressional Districts



Note: Map reflects data posted to the California Legislature elections committees' (Assembly Elections Committee and Senate Elections and Constitutional Amendments Committee) websites.

Figure 5

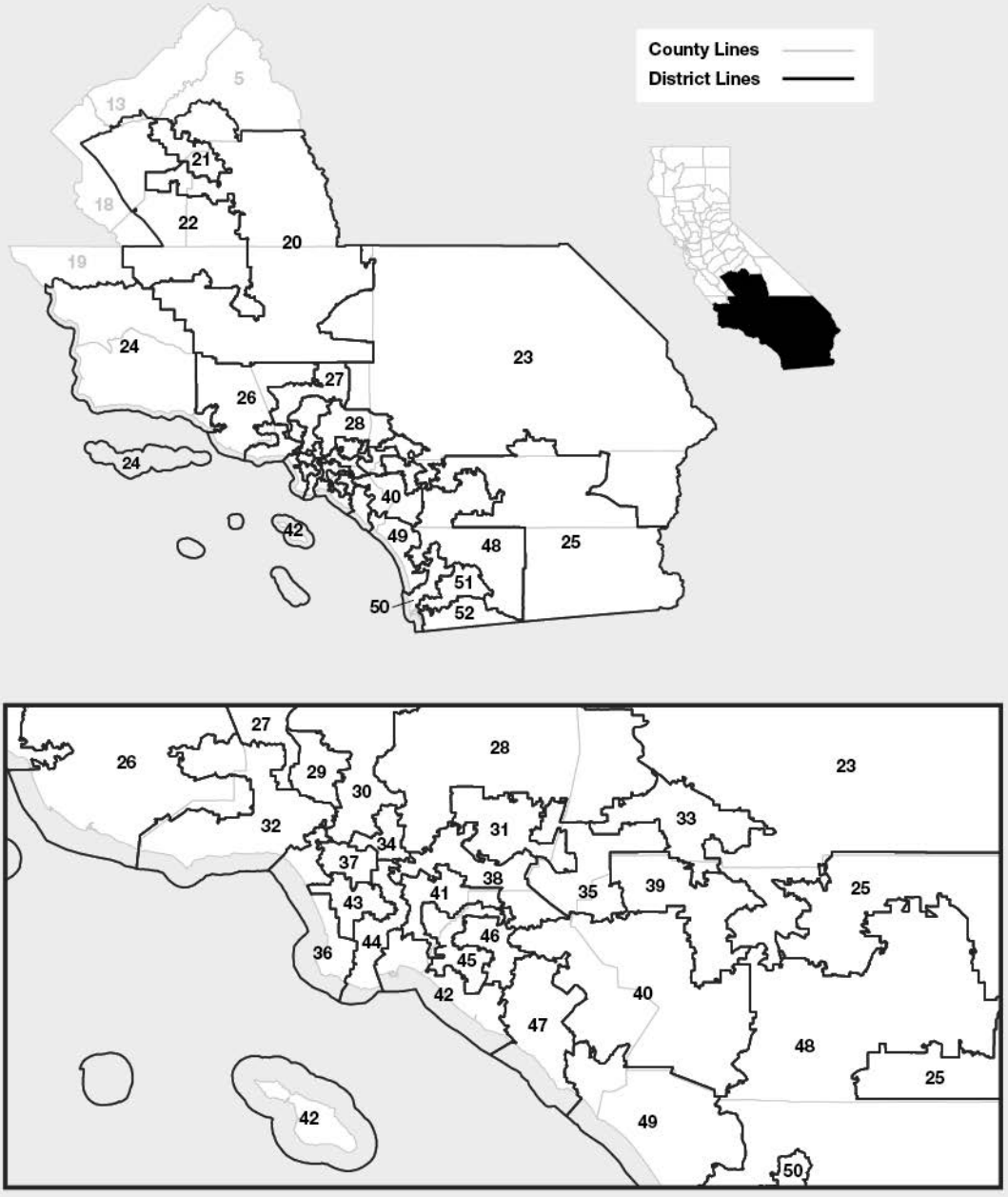
Current Southern Congressional Districts



Note: Map reflects data posted to the California Citizens Redistricting Commission website.

Figure 6

Proposed Southern Congressional Districts



Note: Map reflects data posted to the California Legislature elections committees' (Assembly Elections Committee and Senate Elections and Constitutional Amendments Committee) websites.

YES/NO STATEMENT

A **YES** vote on this measure means: The state would use new, legislatively drawn congressional district maps starting in 2026. California's new maps would be used until the California Citizens Redistricting Commission draws new maps following the 2030 U.S. Census.

A **NO** vote on this measure means: Current congressional district maps drawn by the California Citizens Redistricting Commission (Commission) would continue to be used in California until the Commission draws new maps following the 2030 U.S. Census.

SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT

- One-time costs to counties of up to a few million dollars statewide. County costs would be to update election materials to reflect new congressional district maps.

BALLOT LABEL

Fiscal Impact: One-time costs to counties of up to a few million dollars statewide to update election materials to reflect new congressional district maps.

County of Monterey

Item No.27

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: OBM 25-131

September 16, 2025

Introduced: 8/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

Referral Matrix and New Referrals

Monterey County Board of Supervisors

MEETING:	**September 16, 2025 - Other Board Matters**
SUBJECT:	Board Referrals Update
DEPARTMENT:	County Administrative Office

Item #	Brd Rfl #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
1	2017.18	9/19/17	Board	CAO		Bokanovich	Request a presentation to the Board of Supervisors with options for commissioner compensation that supports our ability to recruit a diverse and representative pool of commissioners.	The item was presented to the Board on 10/2/2018. The Board directed that HR: 1) convene a committee of Department Heads that manage significant boards and commissions to develop a Commissioner Recruitment Strategy; 2) ask departments to provide information related to the diversity of their current volunteer Commissioner's and committee members; and 3) work with County Counsel and Auditor to determine what would be involved/required to actively implement reimbursement to these volunteers, with budget/cost implications. Referral modified on August 24, 2021 to include: A) an assessment on how commissions are being utilized; how well they are serving in their advisory function to the Board; staffing levels of various committees, and, how that may or may not contribute to their functioning; and, B) referring the referral to the Board of Supervisors - Human Resources Committee to engage in discussion and bring back recommendations to the full Board. This item was discussed with the Human Resources Committee in late January 2022. The referral was been reassigned to the County Administrative Office for response. Additional time is needed for information gathering. Staff anticipates a further response to the Board in ~~January 2025 July 2025~~ August 2025.	Pending
2	2017.20	11/19/19	Alejo	PWFP		Ishii	Lease agreement between the City of Salinas and the County of Monterey regarding County's parcel adjacent 855 East Laurel Drive in Salinas for the implementation of a BMX Bike Track, new Skate Park, and sidewalk on East Laurel Drive in Salinas.	An initial referral was initiated on September 15, 2017. On September 1, 2017, Supervisor Alejo held a meeting with the City of Salinas, County RMA staff, and a BMX bike park and skate park engineers/designers to review the property. County Staff conferred with City Staff relative to the City's update of their Parks Master Plan. RMA has also been coordinating with City staff regarding sidewalks on County-owned lands along East Laurel Drive adjacent to this property (between Sanborn Road and Constitution Boulevard). The referral was closed on May 7, 2019 for staff to pursue efforts for a Shelter at 855 E. Laurel. RMA is preparing to bring a master planning effort for use of County lands, specifically lands at Natividad/Laurel in Salinas. This matter is reinstated for reconsideration. Public comment on this item was received on January 14, 2020. Item was pulled from the June 16, 2020, Board meeting agenda and is on hold pending identification of funding. Staff to consult with requesting Supervisor prior to resubmitting item to the Board. PWFP staff continues to work with our state legislative consultants to identify potential grant opportunities. At the September 14, 2021 Board Meeting, the Board provided direction to PWFP staff to apply for Prop 68 grant funding. On January 20, 2022, the County submitted a $3 million application to the Prop 68 Regional Park Program. Project implementation is pending notification of a grant award. On August 24th, the County was notified that its project applications were not selected for grant funding - the process was highly competitive and oversubscribed. Staff will continue to find new opportunities to raise fund to build the project. Staff continues to seek grant opportunities and/or partnerships to fund raise and build the project. Staff received noticed from the Salinas Regional Soccer complex that they would be proceeding with the design and placement of the skate/bike park within their complex and would include it as part of their operations. Project is on hold pending funding. Staff continues to seek grant opportunities and/or partnerships to fund raise and build the project. Staff submitted for FY26 Federal Earmarks.	**Postponed**
3	2018.28	12/4/2018	Phillips	HCD		Spencer	Affordable Housing in the Coastal Zone	Amend County LCP to be consistent with the Coastal Act regarding affordable housing, authorize staff to investigate processes and provide language revision recommendations to the Local Coastal Plan. A presentation was provided to the Board on January 15, 2019. Section 30500.1 was added by Senate Bill 626 in 1981 to state: "No local coastal program shall be required to include housing policies and programs." HCD is working on the 6th Cycle Housing Element which includes housing opportunity sites in the Coastal Zone. The Housing Element is anticipated to be completed by September 2025. HCD staff have coordinated with Coastal Commission staff on the properties that fall within the coastal zone. HCD staff has also coordinated with the Coastal Commission on housing policies contained within our Land Use Plans that integrate affordable housing policies as we update those plans (for example: Moss Landing Community Plan and Big Sur Land Use Plan updates). This work is ongoing.	Pending
4	2020.22	7/7/2020	Church	CAO		Bokanovich	Referral Process Amendment	This referral requests that the process be amended to have Board approval for a referral as part of an agenda item showing the purpose of the referral, costs, time, challenges, and details of the project. In April 2021, the Board approved an amended Board Referral process, which included an exception for urgent matters and provided for Board review of pending referrals on an annual basis. Board review of the referral procedures is anticipated to occur in January 2025, in conjunction with other Board policies. Staff anticipates a further response to the Board in ~~July 2025~~ August 2025.	Pending
5	2021.05	3/2/2021	Alejo	PWFP		Ishii	Monterey County COVID-19 Victims Memorial	This referral seeks to create a permanent memorial with the names of all COVID-19 victims of Monterey County on the Monterey County Government Campus at 168 West Alisal Street. A presentation was provided to the Board on March 22, 2022. Staff was directed to seek potential match from partners and return to the Board in 45 days for further direction. Staff has been seeking potential partners and will be reporting back. The Board approved a revised concept at its June 22, 2022 meeting. Staff is coordinating with the Budget Office to establish fund to receive donations, and staff is seeking potential donors. On September 13, 2022 the Board of Supervisors approved staff's request to enter into a capital campaign with Monterey County Community Foundation to raise funds to complete the project. Staff provided an update to the Board on June 13, 2023. Staff provided a status update at the June 13 BOS. Funding efforts are at 44% overall project cost. Funding raising efforts have raised enough money to develop plans for permit. Staff initiated a draw from the Community Foundation fund to begin drawings for permit. Construction implementation is pending additional funding. Unfunded project budget of $50,000 is proposed for FY26 CIP funding and prioritization.	Pending
6	2021.09	5/25/2021	Church/Askew	CAO		Bokanovich	Review of Board Committee Responsibilities	This referral seeks to clarify the purpose and responsibilities of each Board of Supervisors committees to improve staff workflow and Board decision making ability. A preliminary analysis was approved by the Board on June 15, 2021. Staff will be submitting a response to this referral for Board consideration in May 2022. The referral has been reassigned to the County Administrative Office for response. Board is scheduled to conduct its 2nd annual evaluation of pending referrals on March 28, 2023. To avoid future delays, all annual evaluations will be scheduled to occur the first month of each calendar year. Board review of the referral procedures is anticipated to occur in October, in conjunction with other Board policies. Staff anticipates a response to this referral in ~~January 2025~~ ~~July 2025~~ August 2025..	Pending

Item #	Brd Rfi #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
7	2021.25	11/16/2021	Askew	HCD		Spencer	East Garrison Street Renaming	This referral seeks to identify the process and funding for the renaming of certain streets in East Garrison and revise the naming approval process. A preliminary response was provided to the Board on January 11, 2022. Staff presented to the Board at the May 3, 2022 Board Meeting, and received direction from the Board. HCD has been directed to engage with the public and determine interest in changing the street names within East Garrison. HCD attended the East Garrison CSD (EGCSD) meeting on May 11, 2022, to present the matter. HCD staff will develop a draft program. The program will likely be presented to the Board for consideration once developed. Proposed completion date of October 2025.	Pending
8	2021.29	12/7/2021	Adams	PWFP		Ishii	Increased Fines for Big Sur Roadside Camping Prohibition	This referral seeks to increase the administrative citation and fine amounts for citations issued under Monterey County Code Section 14.18.020.A. This is a follow-up to Board Referral No. 2019.16 (Big Sur Roadside Camping Prohibition Enforcement). A preliminary response was provided to the Board on January 11, 2022. The Ordinance increasing the existing fine amount to $1,000 was adopted by the BOS at its July 26, 2022 meeting. New signage to indicate the increased fine amount has been installed on all existing camping prohibition signs. Staff continues coordination with the Big Sur Byways Organization and District 5 on installation of additional new signs. Staff continues to coordinate with Caltrans and Coastal Commission on getting the necessary approval/permits to install along SR 1. Staff is working with HCD regarding Coastal permits. Proposed completion date of ~~January~~Fall 2025.	Pending
9	2022.02	1/11/2022	Askew	CAO		Blitch/Chiulos	Sheriff Oversight Board Formation	This referral seeks to explore formation of a Sheriff Oversight Board. Assembly Bill 1185 authorized counties to establish a sheriff oversight board to assist the board of supervisors to fulfill its duties related supervising the official conduct of all county officers, including the sheriff. An oversight board would consist of civilian residents appointed by the board of supervisors. Formation of the oversight board can be accomplished by action of the board of supervisors or through a vote of county residents. This referral requests the Board of Supervisor form such an oversight board and that staff return with a report that includes bylaws, formation resolution, and an outline of administrative capacity needed to support the oversight board. A preliminary response was provided to the Board on March 22, 2022; at which time, the Board took action to defer the item until after the new Sheriff is elected and the Board has had an opportunity to establish a relationship. An Ad Hoc Committee has been established by the Board to study the various options concerning oversight of the Office of the Sheriff, pursuant to Assembly Bill 1185. Report is currently with Ad Hoc committee for review and revision.	Pending
10	2022.04	2/1/2022	Church/Lopez	~~PWFP~~ HCD		~~Ishii~~ Spencer	Revisit Rossi Road Extension Plan	This referral seeks to revisit the Rossi Road extension plan and explore solutions to alleviate traffic congestion and improve traffic circulation in the Boronda area as a result of the population and business growth and the relocation of the SVSWA transfer station and Republic Services' yard. A preliminary response was provided to the Board on March 8, 2022. A Town Hall was conducted on July 27, 2022. A working group has been started, and next steps and roles are being established. CEQA and funding are also being researched and discussed. HCD staff is preparing a draft MOU with the City of Salinas. The draft MOU will be presented to the Board once completed. Proposed completion date of December 2028.	Pending
11	2022.14	4/19/2022	Lopez	PWFP		Ishii	Harkins Road	This referral requests that staff investigate the possibility of changing Harkins Road into a one-way street. Staff presented the Preliminary Analysis Report at the May 17, 2022 Board Meeting. PWFP engaged consultant support to evaluate a potential one-way concept for Harkins Road, and a community meeting was held in Spreckels on December 5, 2022 to get feedback. Staff provided a verbal update to the referring Supervisor in January and a report to the Board is planned for the ~~February 28, 2023~~ March 7, 2022 Board meeting. With the Board Report seeking approval for the Harkins/Hunter project, staff is presenting our recommendation for the Harkins Road next week. The one-way option of Harkins is not being recommended. Staff is recommends upgrading signage and constructing improvements to the Harkins/Hunter intersection instead. The additional signs were installed at the Harkins/Hunter intersection to detour trucks around Spreckels. The one-way option was not recommended by the BoS. Continuing to monitor the effectiveness of the addition signs that were installed. Referring Supervisor has asked that this Referral be re-engaged for potential options, including pilot programs.	Pending
12	2022.22	9/27/2022	Alejo	PWFP		Ishii/Lerable	East Salinas District 1 Office/**District 1 Carryover Office Budget Funding For Planned East Salinas Office**	This referral requests that staff search and open a District Office for District 1 in East Salinas 93905 to provide greater office access to constituents in this area of Salinas with the greatest need. A preliminary response was presented to the Board on October 25, 2022. A site has been identified and staff is coordinating with the landlord on ADA upgrades prior to executing the lease. **Modified by the referring Supervisor on May 18, 2023 to include that any leftover District 1 office budget funding for 2022-23 be carried over into the next fiscal for the specific purpose of paying and offsetting any costs in opening the D1 office in East Salinas.** Real Property continues to keep an active search open for available office space within District 1 and provide occasional update to Supervisor Alejo of staffs efforts. Currently there are no opportunities available that meet the Supervisor's requirements. PWFP Real Property Staff is continuing to search for viable office space based on the D1 Office needs within the Alisal District 1 Area on a consistent basis. To date, no viable office options which meet the D1 office needs for required sq. ft., security needs and accessibility have been located. Staff will continue to present any viable options located to the D1 Office as warranted.	Pending
13	2023.03	2/7/2023	Alejo	HCD		Spencer	Affordable Senior Housing Project at 855 East Laurel Drive	This referral purpose is to approve using a vacant county property at the eastern-corner portion of 855 East Laurel Drive to construct affordable housing units for Monterey County seniors. A preliminary response was provided to the Board of Supervisors on February 28, 2023. HCD staff has met with the Housing Authority who have expressed an interest in partnering with the County on such a project. HCD is also coordinating with PWFP on plans for the Laurel Yard campus which are currently in development. Separately, HCD has been progressing an affordable housing project at this same site. On February 7, 2023 the Board approved an Exclusive Negotiating Agreement with Eden Housing Inc. for design and development of an Affordable Housing Multifamily Rental Housing Project. December 12, 2023, the Development Review Committee considered Eden's two-phase 132 rental unit affordable housing project. County has procured outside legal counsel and negotiations with Eden for a Disposition and Development Agreement with Long-Term Ground Lease are underway, which are anticipated to come to Board for consideration late spring 2024. The potential for a senior housing project will be presented to the Board once the Eden housing project is completed and PWFP has identified any remaining needs for land at the Laurel Yard. Proposed completion date of December 2026.	Pending

Item #	Brd Rfl #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
14	2023.09	4/18/2023	Alejo	PWFP		Ishii	Salinas Regional Soccer Complex Grant Opportunities	This referral seeks that county staff assist in two grant opportunities for the Salinas Regional Soccer Complex that requires the County of Monterey to be lead applicant as the real property owner. Staff will provide an update to the Board on May 9, 2023. Staff presented a referral response on May 9 and May 15th. BOS provided direction to modify the referral by continuing to work with the Sport Authority on funding on options to bring back to the board for discussion. Staff will continue to collaborate with SRSA to find partner on new grant opportunities. Staff worked with Leg Staff to submit a request for federal earmark. Project was selected by Rep. Lofgren to advance to the House Appropriations Committee for further consideration of a federal earmark.	Pending
15	2023.13	7/11/2023	Church	PWFP		Ishii	Laurel Yard Master Plan	This referral requests that county staff analyze the current and proposed uses of the County owned properties at and around the Laurel Yard in Salinas and engage in a master plan to ensure compatible development consistent with County operations and community objectives to determine if the Laurel Yard should be relocated and potential sites for consideration. A preliminary response was presented to the Board on August 29, 2023. Staff provided a status update to the Board on September 17, 2024. Site is included in the County-wide Master Plan and will be analyzed in context of the County's overall needs. Master Plan expected to be completed in Fall 2025.	Pending
16	2023.17	7/19/2023	Adams	HCD		Spencer	Safeguard & Maintain Historic Buildings in Monterey County	Referral requests the County pass a local ordinance where it shall be unlawful for any person to cause or cause others to act to burn or structurally damage a structure that has been listed on a city, county, state, or national list of historic properties. This includes owners of a structure listed on a local, state, or national register of historic structures. HCD staff presented a preliminary response to this referral on September 12, 2023. The Board directed HCD to proceed with updating the County's Historic Preservation Ordinance to incorporate penalties for unlawful damage to historic resources. Updates to the Historic Preservation are on the long-range work plan for HCD and are programed to be completed in future years.	Pending
17	2023.20	11/7/2023	Church	Health		Jimenez	Littering Fines	This referral requests that staff amend County Code 10.41.040 to establish clear and significant penalties for littering and dumping by adopting fines parallel to that of San Benito County. Environmental Health will be presenting a draft Ordinance at the Board of Supervisors meeting on January 30, 2024, requesting that a Public Hearing be set to adopt the Ordinance. The ordinance will be set on February 27th for adoption, and direction was given by the Board to come back in one year with an update on the number of administrative violations, how many fines have been levied, and the total amount of fines. Staff will return to the Board of Supervisors with an update on implementation efforts and findings in March 2025. Since the adoption of higher fines for illegal dumping, EH has issued one citation on 12/13/2024 in the amount of $2,500. The citation was issued based on video images captured from surveillance cameras installed specifically to capture illegal dumpers. The Two cameras were installed in the right of way in a location known for illegal dumping. Staff was to bring back an update to the Board in March of 2025. Staff provided an update to the Board on April 22, 2025 and were directed to give an update in 6 months of the effectiveness of the cameras and a renewal of the software agreement.	Pending
18	2023.21	11/7/2023	Church	CAO		Chiulos/Bokanovich	Non-County Entity Appointments Procedure for Supervisors	This referral requestst that staff amend the current policy for appointments of County Supervisors to Non-County entities. In November 2023, the Board established an ad hoc to review and vet non-county entity appointment procedures. A meeting of the Ad Hoc was convened in late October 2024. An update report will be provided to the Board on ~~December 4, 2024 July 2025~~ August 2025.	Pending
19	2023.22	11/28/2023	Adams	PWFP		Ishii	Bixby Bridge - Traffic and Pedestrian Safety	Referral requests that staff identify solutions to respond to the immediate health and safety emergency concerns at the Bixby Bridge in Big Sur due to increased levels of visitation resulting in traffic congestion, parking issues, blocked residential access, and unsafe illegal pedestrian crossings across Highway 1. Staff presented a Preliminary Analysis Report to the Board on January 23, 2024. Staff will provide updates as they meet with the working group. Urgency Ordinance was approved by the Board of Supervisors on June 25, 2024. Next steps are to work with HCD on Emergency Coastal Development Permit. Proposed completion date of August 2024. The permit for the Urgency Ordinance was approved. PW installed railing along Coast Road to help with the illegal parking issues near Bixby Bridge.	Pending
20	2024.03	3/12/2024	Lopez	CAO		Vaughn	Wine Improvement District	This referral requests examination of sales or transactions and use tax records for the purpose of forming a wine improvement district in Monterey County. A preliminary response was presented to the Board on April 23, 2024. Staff is continuing to work with Vintners and will provide an update to the Board at a future date.	Pending
21	2024.04	3/23/2024	Church	CAO/PWFP		Paolinelli/Ishii	Maintenance of Little Bear Creek: Permits	This referral requests a study of permit processes for cleaning and long-term maintenance of Little Bear Creek. A preliminary response will be presented to the Board on April 16, 2024. PWFP is acquiring a hydrologic and hydraulic study proposal from one of our on-call consultants. This is the next step identified in the Preliminary Analysis Report. There is currently not enough information to determine a completion date. Much will depend on State and federal regulators (as well as the public and Board if this effort should be funded). The hydrologic and hydraulic study is underway.	Pending
22	2024.05	5/14/2024	Church	PWFP		Ishii	Speed Hump Fee Waivers for Low-Income Neighborhoods	This referral requests that the Board implement a policy that will waive the fees for speed hump installment in low-income neighborhoods to create safer roads. A preliminary response was presented to the Board on June 8, 2024. Staff is proceeding with the process presented in the preliminary response and exploring prioritization criteria and funding options. However, research and analysis is more involved than initially anticipated. Staff anticipates having more information to report in Summer 2025.	Pending

Item #	Brd Rfl #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
23	2024.07	5/14/2024	Alejo	HCD		Spencer	County Tenant Relocation Assistance Ordinance Update	This referral request is to update the current County Relocation Assistance Ordinance 18.15.050 – "Tenant relocation provisions for rental housing" to allow an option by the County of Monterey to require landlords/property owners, who violate the county housing ordinance, to pay owed tenant relocation assistance upfront into a county account so that tenants can claim the owed rent later, without having to interact with the landlord/property owner and to better track payments made to housing victims and ensure timeliness. A preliminary response was presented to the Board on June 25, 2024. The Board provided direction to HCD to prepare an ordinance that amend current requirements to authorize the County to provide tenant relocation assistance directly to impacted families and individuals and to seek reimbursement from the landlord/property owner for those costs. The ordinance is on the list of long-range planning projects and is scheduled in "future years." The Board is asked to help review and prioritize the long-range projects annually.	Pending
24	2024.10	9/10/2024	Church	Health		Jimenez	Allow POU/POE Water Treatment for New Construction (Including ADUs)	To allow for Point of Use/Point of Entry water treatment devices to be used for new construction on vacant legal lots of record and for accessory dwelling units (ADUs). A preliminary response will be presented to the Board on October 1, 2024. EHB has prepared a draft amended ordinance that will be sent to County Counsel for review this week. The amendments add the option to use POU/POE for new development on a vacant lot or for an ADU or other second unit. Once County Counsel approves the amended ordinance, EHB will contract with Rincon to do the Initial Study. It is necessary to prepare the draft ordinance before contracting with Rincon, so they know what to include in the initial study. The updates in the amended ordinance regarding new development are the same as Rincon analyzed in the initial CEQA document, which will help streamline the process. Staff gave an update to the Board on April 22, 2025 and were instructed to return by December 2025 with a proposed amendment to the ordinance and an initial Study-Mitigated Negative Declaration evaluation.	Pending
25	2024.11	9/10/2024	Church	Health		Jimenez	Modifications to the County's Rooster Ordinance	This referral seeks to modify the County's Rooster Ordinance in order to make it more effective at eradicating cockfighting operations in unincorporated Monterey County. A preliminary response will be presented to the Board on October 1, 2024. Staff presented a Preliminary Analysis Response to the Board on 10/1/24 where the referral will be deemed complete contingent upon staff returning in 6 months with recommendations for updating/changing the Rooster ordinance. Staff is waiting to see if there is a change in State law and will bring the update back to the BoS once that information is confirmed next month (March 2025). Then a date will be set on the Board Agenda for an update. Staff is working on a letter of support for AB-928 (Rogers) Cockfighting Cruelty Act that is going to the Hitchcock Road Advisory Committee the week of May 19, 2025.	Pending
26	2024.12	9/24/2024	Aeljo	HCD		Spencer	1220 Natividad Road Property Repurposing for County Housing Trust Fund	This referral requests a feasibility study for developing commercial uses of County property located 1220 Natividad Road (old Ag Commissioner's Office off of East Laurel Street) with proceeds capitalizing the Monterey County Local Housing Fund (MCLHTF). The study should identify the types of potential users, demand for commercial uses at this location, potential lease revenue generated by the property, and legal requirements to lease the property to fund the MCLHTF. A preliminary response was presented to the Board on October 15, 2024. The Board directed HCD to coordinate with Public Works, Parks, and Facilities to incorporate the option for commercial use of 1220 Natividad Road in the Facilities Master Plan. See Referral 2023.13.	Pending
27	2024.13	9/24/2024	Alejo	CAO		Paolinelli/Wilson	Tiny Homes Village Renaming	This referral requests that the name of the pending Tiny Homes Village in Watsonville be changed to a more suitable name that inspires hope, that is easy to pronounce bilingually, and that has input from Monterey County, Santa Cruz County and the City of Watsonville. A preliminary response will be presented to the Board in January 2025. The Supervisors agreed that the renaming of the Watsonville Tiny Village will not be revisited until the Building Permit has been issued. The Counties are still working closely with the City to meet the remaining components of this process. Staff anticipates it will be completed in May 2025. Staff will provide a response to the Board on September 30, 2025.	Pending
28	2024.17	12/3/2024	Church	HCD/CAO		Spencer/Paolinelli	Policy for Evaluating Housing Economic Impacts on Residents in Legislative Decisions	This referral request for the Board of Supervisors to implement a policy requiring an assessment of potential housing economic impacts on residents in the legislative decision-making process. A preliminary response will be presented to the Board on February 4, 2025.	Pending
29	2025.01	2/4/2025	Alejo	County Counsel		Blitch	Monterey County Fracking Ban	The purpose of this referral is to draft an ordinance that would prohibit fracking in Monterey County. Staff provided a preliminary response to the Board on 12/3/24 and were directed to return to the Board after presenting to the Coastal Commission for consideration in 2025. The portions of Measure Z that implement a fracking ban in the inland portions of Monterey County have now been put in place. Specifically, the 2010 General Plan and Ford Ord Master Plan have been updated. In consultation with Coastal Commission staff, HCD staff learned that the coastal land use plan amendments need to return to the Board before they can be submitted to the Coastal Commission. County Counsel's Office staff is working with HCD staff to return to the Board with the item, and then resubmit to the Coastal Commission.	Pending
30	2025.03	4/22/2025	Askew	CAO/COB		Chiulos/Ralph	Encouraging Broad Diverse Applicant Pools with Transparent Outreach	This referral directs the County Administrative Officer and Clerk of the Board of the Board of Supervisors to ensure Board of Supervisors compliance with the Maddy Act and increase the transparency of outreach and encourage broad and diverse applicant pools for County Board, Committees, and Commissions, and Special Districts. Staff will provide a preliminary analysis response on May 13, 2025.	Pending
31	2025.04	4/22/2025	Askew	CAO/County Counsel/COB		Chiulos/Blitch/Ralph	Follow-up to Referral #2023.19 - Monterey County Regional Fire District Board of Directors (MCRFD) Vacancies, to ensure completion of BOS direction.	The purpose of this referral is to ensure BOS direction to prepare for review, adoption, and implementation of a Board policy ensuring timely noticing of recruitments for vacancies on the boards of special districts for which the BOS is the appointing authority, given as a result of Referral #2023.19, is completed. Staff will provide a preliminary analysis response on May 13, 2025.	Pending

Item #	Brd Rfi #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
32	2025.05	5/13/2025	Daniels	PWFP		Ishii	Bixby Bridge – No Parking	Requesting staff to define actions needed to continue the current emergency parking prohibition and maintain the physical measures implementing it beyond the conclusion of the CT Rocky Creek slip out repair project (currently estimated to be completed in June) without interruption unless/until a more global solution can be identified and implemented thru future projects. Staff will provide a preliminary analysis response on June 3, 2025.	Pending
33	2025.06	6/10/2025	Alejo/Lopez	Health		Elsa	Monterey County Health Department Clinics Indigenous Pilot Program	The purpose of this referral is design a pilot program at the Alisal Health Clinic in East Salinas to better meet the healthcare language needs of our Indigenous Oaxacan patients. Staff will provide a preliminary analysis response on ~~July 8, 2025~~October 21, 2026.	Pending
34	2025.07	8/5/2025	Alejo	PWfP		Ishii	The Alisal Arch of East Salinas	The purpose of this referral is to have the Board of Supervisors official support for the construction of an Alisal Arch in East Salinas and to financially contribute to the project. Staff will provide a preliminary response to the Board on ~~August 26, 2025~~ September 16, 2025.	Pending
35	2025.08	8/5/2025	Alejo	Health		Jimenez	Mitigation Monitoring for the Salinas Regional Soccer Complex	The purpose of this referral is to have the Monterey County Environmental Health Bureau and/or the County Public Works, Facilities and Parks provide contracted mitigation monitoring services for the Salinas Regional Soccer Complex expansion project. Staff will provide a preliminary response to the Board on September 30, 2025.	Pending
36	2025.09	8/19/2025	Lopez	PWFP		Ishii	Anza National Historic Trail Auto Tour Signs	Partner with the National Park Service to facilitate the replacement of 14 official national historic trail Auto Tour signs on roads along the Juan Bautista de Anza National Historic Trail. A preliminary response will be provided to the Board on September 30, 2025.	Pending
37	2025.10	8/26/2025	Alejo	Health		Jimenez	Monterey County Spay and Neuter Ordinance for Cats and Dogs	The purpose of this referral is to enact a Spay and Neuter Ordinance for cats and dogs to address pet overpopulation, euthanasia rates, and overcrowded shelters with minimal staffing. A preliminary response will be provided to the Board on September 30, 2025.	Pending
38	2025.11	9/16/2025	Church	PWFP		Ishii	No Recreational Vehicle Parking on Railroad Avenue in Pajaro	This referral request for the Board of Supervisors to consider adoption of an ordinance to prohibit recreational vehicle parking on the entirety of Railroad Avenue in the unincorporated area of the County of Monterey and establish a tow-away zone, authorizing the immediate removal of vehicles that violate this no-parking restriction.	**Pending approval on 09/16/25**
								Completed by Executive Assistant on September 11, 2025	

Monterey County Board of Supervisors
Referral Submittal Form

Referral No. 2025.11
Assignment Date: 09/16/25
(Completed by CAO's Office)

SUBMITTAL - Completed by referring Board office and returned to CAO no later than 10:00AM on Wednesday prior to Board meeting:

Date: 5 Sept. 2025	Submitted By: Supervisor Glenn Church	District #: 2
Referral Title: No Recreational Vehicle Parking on Railroad Avenue in Pajaro		

Referral Purpose:
Request for the Board of Supervisors to consider adoption of an ordinance to prohibit recreational vehicle parking on the entirety of Railroad Avenue in the unincorporated area of the County of Monterey and establish a tow-away zone, authorizing the immediate removal of vehicles that violate this no-parking restriction.

Brief Referral Description (attach additional sheet as required):
Homeless individuals are living in recreational vehicles along this road without appropriate services. These individuals park a variety of vehicles, including motor homes, campers and trailers, to sleep and live in. The uncontrolled use of the road for this purpose has resulted in serious disruptions for residents and businesses as well as health and safety problems, including crime, blocking of travel lanes and dumping of trash and refuse.

Classification - Implication	Mode of Response
☐ Ministerial / Minor X Land Use Policy ☐ Social Policy ☐ Budget Policy ☐ Other: _____	☐ Memo X Board Report ☐ Presentation **Requested Response Timeline** ☐ 2 weeks X 1 month ☐ 6 weeks ☐ Status reports until completed ☐ Other: ASAP ☐ Specific Date: _____

ASSIGNMENT – Provided by CAO at Board Meeting. Copied to Board Offices and Department Head(s) Completed by CAO's Office:

Department(s): PWFP	Referral Lead: Randy Ishii	Board Date: 09/16/25

REASSIGNMENT – Provided by CAO. Copied to Board Offices and Department Head(s). Completed by CAO's Office:

Department(s):	Referral Lead:	Date:

ANALYSIS - Completed by Department and copied to Board Offices and CAO:

Department analysis of resources required/impact on existing department priorities to complete referral:

Analysis Completed By: _____ Date: _____	**Department's Recommended Response Timeline** ☐ By requested date ☐ 2 weeks ☐ 1 month ☐ 6 weeks ☐ 6 months ☐ 1 year ☐ Other/Specific Date: _____

REFERRAL RESPONSE/COMPLETION - Provided by Department to Board Offices and CAO:

Referral Response Date:	Board Item No.:	Referrals List Deletion:

Note: Please cc Claudia Escalante and Karina Bokanovich on all CAO correspondence relating to referrals.

County of Monterey

Board Report

Legistar File Number: OBM 25-132

Item No.28

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

County Administrative Officer Comments

County of Monterey

Board Report

Legistar File Number: OBM 25-133

Item No.29

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

Board Comments

County of Monterey

Board Report

Legistar File Number: 25-645

Item No.30

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 23, 2025

Introduced: 9/10/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

2025 Board of Supervisors Meeting Schedule

Before the Board of Supervisors in and for the County of Monterey, State of California

Adopt the Board of Supervisors' meeting)
schedule for the calendar year 2025……)

The Board will meet on Wednesday, May 28, 2025, at 9:00 a.m. and Thursday, May 29, 2025, at 9:00 a.m. for Budget Hearings and will meet every Tuesday at 9:00 a.m., as scheduled below:

Meeting On:
January 7, 2025
January 14, 2025
January 28, 2025
February 4, 2025
February 7, 2025 Legislative Workshop - Friday
February 18, 2025
February 25, 2025
March 7, 2025 BOS/Dept. Head Retreat - Friday
March 11, 2025
March 18, 2025
March 25, 2025 Budget Workshop
April 15, 2025
April 22, 2025
April 29, 2025
May 6, 2025
May 13, 2025
May 20, 2025
May 28, 2025 Budget Hearings - Wednesday
May 29, 2025 Budget Hearings – Thursday (If needed)
June 3, 2025
June 10, 2025
June 17, 2025 Budget Adoption, etc.
June 24, 2025
June 26, 2025 Executive Performance Evaluations -Thursday
June 27, 2025 Executive Performance Evaluations – Friday (If needed)
July 1, 2025
July 8, 2025
August 5, 2025
August 12, 2025
August 19, 2025
August 26, 2025
September 16, 2025
September 23, 2025
September 30, 2025
October 7, 2025
October 14, 2025
October 21, 2025
October 28, 2025
November 4, 2025
November 18, 2025

December 2, 2025
December 9, 2025
December 10, 2025 – Wednesday Overflow (If needed)
December 11, 2025 Executive Performance Evaluations - Thursday
December 12, 2025 Executive Performance Evaluations – Friday (If needed)

The Board will not meet on the following dates in observance of holidays, other recesses and conferences or otherwise posted, at 9:00 a.m. as noted below:

No Meeting On:	In observance of:
January 21, 2025	Martin Luther King's Day
February 11, 2025	National Association of Counties Conference (NACo)
March 4, 2025	Dept Head Retreat
April 1, 2025	Cesar Chavez Day
April 8, 2025	Spring Break
May 27, 2025	Memorial Day
July 15, 205	Summer Recess
July 22, 2025	Summer Recess
July 29, 2025	Summer Recess
September 2, 2025	Labor Day
September 9, 2025	Legislative Conference
November 11, 2025	Veterans Day
November 25, 2025	Thanksgiving Day
December 16, 2025	Winter Break
December 23, 2025	Winter Break
December 30, 2025	Winter Break

PASSED AND ADOPTED on this 24th day of September 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on September 24, 2024.

Dated: September 27, 2024

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

Introduced: 7/23/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the date of signing by NMC. The contracts will have a minimum value of $25,000 and a maximum value of $6,023,368. The awarded contracts are as follows: NMC 2025-01 to Staples Construction, and NMC 2025-02 to Newton Construction and Management.
b. Approve the Performance and Payment Bonds provided by Staples Construction and Newton Construction and Management each in the amount of $2,500,000.
c. Authorize the Chief Executive Officer (CEO) of Natividad Medical Center to execute the Job Order Contracts for NMC 2025-01 with Staples Construction and for NMC 2025-02 with Newton Construction and Management.

RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the date of signing by NMC. The contracts will have a minimum value of $25,000 and a maximum value of $6,023,368. The awarded contracts are as follows: NMC 2025-01 to Staples Construction, and NMC 2025-02 to Newton Construction and Management.
b. Approve the Performance and Payment Bonds provided by Staples Construction and Newton Construction and Management each in the amount of $2,500,000.
c. Authorize the Chief Executive Officer (CEO) of Natividad Medical Center to execute the Job Order Contracts for NMC 2025-01 with Staples Construction and for NMC 2025-02 with Newton Construction and Management.

SUMMARY/DISCUSSION:

Public Contract Code Section 20128.5 provides that counties may award annual contracts for repair, remodeling, or other repetitive work to be done according to unit prices. This is commonly referred to as Job Order Contracting (JOC) and is typically done by developing a construction task catalog that is then competitively bid. JOC is an indefinite quantity contract pursuant to which the contractor will perform a variety of projects, consisting of specific construction tasks, providing an alternative procurement method for completing public works projects, which improves economy and efficiency in completing many public works projects, including urgent and time-sensitive projects. The price of an

individual project will be determined by multiplying the preset unit prices and the appropriate quantities by the appropriate adjustment factor. The adjustment factor will vary depending upon the location of the work and the time at which the work will be performed (normal working hours versus other than normal working hours).

On September 17, 2013, the Board adopted the Monterey County Job Order Contracting Policy Guidelines, constituting the order of the Board approving Job Order Contracts pursuant to Public Contract Code Section 20128.5.

The most current annual NMC JOC Projects were advertised, and bids were opened on July 10, 2025. The lowest responsive and responsible bidder is determined by the award criteria figure. The lowest responsive bidders were Staples Construction and Newton Construction and Management.

Each contractor has represented that its workforce consists primarily of Monterey Bay Area residents or has certified to make a good faith effort to employ Monterey Bay Area residents on each Job Order proposal in compliance with Section 5.08.120 of the Monterey County Code. Additionally, each contractor has an office located within Monterey County.

In conjunction with NMC staff, the Gordian Group serves as JOC program administrators under an amended GPO contract through Sourcewell as approved by the Board of Supervisors last on September 29, 2020.

For the Natividad Medical Center JOC projects, Natividad Medical Center recommends awarding contracts to two separate contractors to allow the Department the option to use the alternate contractor if the other contractor is deemed nonresponsive or has poor performance and to have work performed concurrently. Currently, Natividad Medical Center requests two JOC contract awards.

All two of these JOC contracts will be signed and therefore effective upon the first JOC project's initiation, and from that point, the two JOC contracts for 2025-26 shall be in effect for a one (1) year period from the date when NMC signs the two contracts. However, if during the one (1) year contract period, payments by County to Contractor reach the maximum amount payable, all contracts shall terminate. The County will not issue any new Job Order Projects under these contracts after the one (1) year term expires and will likely issue a new JOC bid package for new contracts for 2026-2027. Any Job Order authorized prior to the expiration of these two contracts must be completed within the time specified in the individual project Job Order documents. In the event a scheduled completion for any Job Order extends beyond the term of the contract, the term of the associated contract shall continue in effect and be applicable for such Job Orders until that JOB order has been completed to the satisfaction of NMC.

Due to the potential project scopes and project range, contractors are each required to initially provide performance and payment bonds in the amount of $2,500,000 to provide for JOC efficiency, maintaining control of contractor performance, as well as limiting potential risk to the County. If the contract goes beyond the $2,500,000 staff will be the increase performance and payment bonds and bring them to the board of supervisors for approval.

Any Job Order that exceeds $1,000,000 will be brought to the Capital Improvement Committee (CIC) prior to the issuance of a notice to proceed. Natividad Medical Center will provide JOC status reports to the CIC summarizing issued Job Orders, including scope, cost, schedule, and source of previously appropriated/expended funds. The JOC contracts will provide another mechanism to accomplish work that fits within the JOC guidelines. Projects that do not meet JOC criteria or are not a good fit for JOC will continue to be completed using other procurement processes, such as the typical design/bid/build process.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and approved payment provisions.

FINANCING:

Expenditures for Job Order Contracts will remain within the approved capital projects and operational budgets for FY 2025-26. Future fiscal year capital and operational budgets will be reviewed and approved by the Board of Supervisors before any expenditures are made. The agreement encompasses two separate Job Order Contracts totaling $12,420,186 with each contract valued at $6,210,093. A 5% License Fee is applicable for using the JOC program, payable to the Gordian Group only when a Job Order is issued to a JOC Contractor. Additionally, the County may choose to use JOC Project Management services for an extra fee of 5.95% if needed. There will be no impact on the general fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The JOC program helps with providing efficient and effective hospital operations by allowing improved processing for smaller and more urgent projects. The JOC program projects include improvements to health and safety facilities. The provision of adequate County facilities and infrastructure enhances the quality of life for County residents, patients, and visitors at Natividad.

X Economic Development
X Administration
X Health & Human Services
X Infrastructure
X Public Safety

Prepared by: Brian Griffin, Project Manager, (831) 783-2605

Approved by: Charles R. Harris, Chief Executive Officer, 783-2504

Attachments:
Staples Construction Agreement NMC 2025-01, which includes Performance and Payment Bonds
Newton Construction and Management Agreement NMC 2025-02, which includes Performance and Payment Bonds

Attachments on file with the Clerk of the Board

Introduced: 7/23/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Agreement

a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the date of signing by NMC. The contracts will have a minimum value of $25,000 and a maximum value of $6,023,368. The awarded contracts are as follows: NMC 2025-01 to Staples Construction, and NMC 2025-02 to Newton Construction and Management.
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RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the date of signing by NMC. The contracts will have a minimum value of $25,000 and a maximum value of $6,023,368. The awarded contracts are as follows: NMC 2025-01 to Staples Construction, and NMC 2025-02 to Newton Construction and Management.
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c. Authorize the Chief Executive Officer (CEO) of Natividad Medical Center to execute the Job Order Contracts for NMC 2025-01 with Staples Construction and for NMC 2025-02 with Newton Construction and Management.

SUMMARY/DISCUSSION:

Public Contract Code Section 20128.5 provides that counties may award annual contracts for repair, remodeling, or other repetitive work to be done according to unit prices. This is commonly referred to as Job Order Contracting (JOC) and is typically done by developing a construction task catalog that is then competitively bid. JOC is an indefinite quantity contract pursuant to which the contractor will perform a variety of projects, consisting of specific construction tasks, providing an alternative procurement method for completing public works projects, which improves economy and efficiency in completing many public works projects, including urgent and time-sensitive projects. The price of an individual project will be

determined by multiplying the preset unit prices and the appropriate quantities by the appropriate adjustment factor. The adjustment factor will vary depending upon the location of the work and the time at which the work will be performed (normal working hours versus other than normal working hours).

On September 17, 2013, the Board adopted the Monterey County Job Order Contracting Policy Guidelines, constituting the order of the Board approving Job Order Contracts pursuant to Public Contract Code Section 20128.5.

The most current annual NMC JOC Projects were advertised, and bids were opened on July 10, 2025. The lowest responsive and responsible bidder is determined by the award criteria figure. The lowest responsive bidders were Staples Construction and Newton Construction and Management.

Each contractor has represented that its workforce consists primarily of Monterey Bay Area residents or has certified to make a good faith effort to employ Monterey Bay Area residents on each Job Order proposal in compliance with Section 5.08.120 of the Monterey County Code. Additionally, each contractor has an office located within Monterey County.

In conjunction with NMC staff, the Gordian Group serves as JOC program administrators under an amended GPO contract through Sourcewell as approved by the Board of Supervisors last on September 29, 2020.

For the Natividad Medical Center JOC projects, Natividad Medical Center recommends awarding contracts to two separate contractors to allow the Department the option to use the alternate contractor if the other contractor is deemed nonresponsive or has poor performance and to have work performed concurrently. Currently, Natividad Medical Center requests two JOC contract awards.

All two of these JOC contracts will be signed and therefore effective upon the first JOC project's initiation, and from that point, the two JOC contracts for 2025-26 shall be in effect for a one (1) year period from the date when NMC signs the two contracts. However, if during the one (1) year contract period, payments by County to Contractor reach the maximum amount payable, all contracts shall terminate. The County will not issue any new Job Order Projects under these contracts after the one (1) year term expires and will likely issue a new JOC bid package for new contracts for 2026-2027. Any Job Order authorized prior to the expiration of these two contracts must be completed within the time specified in the individual project Job Order documents. In the event a scheduled completion for any Job Order extends beyond the term of the contract, the term of the associated contract shall continue in effect and be applicable for such Job Orders until that JOB order has been completed to the satisfaction of NMC.

Due to the potential project scopes and project range, contractors are each required to initially provide performance and payment bonds in the amount of $2,500,000 to provide for JOC efficiency, maintaining control of contractor performance, as well as limiting potential risk to the County. If the contract goes beyond the $2,500,000 staff will be the increase performance and payment bonds and bring them to the board of supervisors for approval.

Any Job Order that exceeds $1,000,000 will be brought to the Capital Improvement Committee (CIC) prior to the issuance of a notice to proceed. Natividad Medical Center will provide JOC status reports to the CIC summarizing issued Job Orders, including scope, cost, schedule, and source of previously appropriated/expended funds. The JOC contracts will provide another mechanism to accomplish work that fits within the JOC guidelines. Projects that do not meet JOC criteria or are not a good fit for JOC will continue to be completed using other procurement processes, such as the typical design/bid/build process.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and approved payment provisions.

FINANCING:

Expenditures for Job Order Contracts will remain within the approved capital projects and operational budgets for FY 2025-26. Future fiscal year capital and operational budgets will be reviewed and approved by the Board of Supervisors before any expenditures are made. The agreement encompasses two separate Job Order Contracts totaling $12,420,186 with each contract valued at $6,210,093. A 5% License Fee is applicable for using the JOC program, payable to the Gordian Group only when a Job Order is issued to a JOC Contractor. Additionally, the County may choose to use JOC Project Management services for an extra fee of 5.95% if needed. There will be no impact on the general fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The JOC program helps with providing efficient and effective hospital operations by allowing improved processing for smaller and more urgent projects. The JOC program projects include improvements to health and safety facilities. The provision of adequate County facilities and infrastructure enhances the quality of life for County residents, patients, and visitors at Natividad.

X Economic Development
X Administration
X Health & Human Services
X Infrastructure
X Public Safety

Prepared by: Brian Griffin, Project Manager, (831) 783-2605

Approved by: Charles R. Harris, Chief Executive Officer, 783-2504

Attachments:
Staples Construction Agreement NMC 2025-01, which includes Performance and Payment Bonds
Newton Construction and Management Agreement NMC 2025-02, which includes Performance and Payment Bonds

Attachments on file with the Clerk of the Board

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

AGREEMENT
Division 00500

THIS AGREEMENT is made by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and **Newton Construction & Management Inc** (contractor), hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is date County signs.

THE COUNTY AND THE CONTRACTOR hereby agree as follows:

ARTICLE 1. SCOPE OF WORK.

This Job Order Contract (JOC) is an indefinite quantity contract pursuant to which the Contractor will perform a variety of Job Orders, consisting of specific construction tasks. The scope of this JOC is for general construction, repair, remodel and other repetitive related work. The County has published a Construction Task Catalog® (CTC) containing a series of construction tasks with preset Unit Prices. The CTC was developed using experienced labor and high quality materials. All Unit Prices are based on local labor, material and equipment prices including the current prevailing wages. The Contractor will bid Adjustment Factors to be applied to the Unit Prices. The price of an individual Job Order will be determined by multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

The scope of Work for this Contract will be determined by the Detailed Scopes of Work issued in connection with individual Job Orders. The scope of work, for each Job Order will be explained to the Contractor at a Joint Scope Meeting. The County will provide a Request for Job Order Proposal and Detailed Scope of Work to the Contractor. The Contractor will be required to review the Detailed Scope of Work and develop a Price Proposal using appropriate tasks, quantities and the applicable Adjustment Factor. The County will review the Contractor's Proposal in detail and if found to be reasonable and acceptable, a Job Order may be issued. The agreed upon price will be fixed price for the performance of the detailed Scope of Work.

The CONTRACTOR shall, within the time stipulated, perform the contract as herein defined and shall furnish all work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project:
PROJECT NO. JOC, BID NO. NMC 2025-02.

ARTICLE 2. TIME FOR START AND COMPLETION.

Contract Time commences upon the written execution of the Contract by County and shall end either one year from the date signed by county or upon the payment by County to Contractor of the maximum amount payable under this Agreement, whichever occurs earlier. County will not issue any new Job Orders after the expiration of this Agreement. Any Job Order authorized prior to the expiration of the Agreement must be completed within the time specified in the Job Order. In the event the scheduled completion for any Job Order extends beyond the term of this Agreement, Contractor and County agree that the terms of this Agreement shall continue in effect and be applicable for such Job Orders. A separate Job Order Notice to Proceed will be issued for each Job Order. Each Job Order will specify a time limit for completion as stated on the Job Order Notice to Proceed.
Changes to the Contract may be accomplished after execution of the Contract and without invalidating the Contract, by Change Order.

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ARTICLE 3. ADJUSTMENT FACTORS

The Contractor shall perform all work required, necessary, proper for or incidental to completing the Detailed Scope of Work called for in each individual Job Order issued pursuant to this Contract for the Unit Prices set forth in the Construction Task Catalog®. County shall pay Contractor the Job Order Price for completion of Work in accordance with Contract Documents and the Detailed Scope of Work described in each Job Order multiplied by the following Adjustment Factors:

ADJUSTMENT FACTORS

ITEM	DESCRIPTION	ADJUSTMENT FACTORS
1.	OSHPD 1 Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1900
2.	OSHPD 1 Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.1900
3.	Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1800
4.	Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.2000

The Minimum Contract Value is $25,000. Contractor will receive the opportunity to perform at least $25,000 during the Contract term. The Maximum Contract Value is $6,210,093 for JOC NMC 2025-02. County does not guarantee Contractor will receive this volume of Work. County may award contracts or issue Job Orders to other contractors for the same or similar Work during the term of this Agreement. In no event will Contractor be issued Job Orders which, in total, exceed the Maximum Contract Value. At no time may the sum of the outstanding Job Orders exceed the amount of the Payment Bond and Performance Bond. A Job Order is outstanding until County has accepted the Work described in the Job Order by recordation of a Notice of Completion. Contractor will not be issued Job Orders which in total exceed the Maximum Contract Value.

ARTICLE 4. LIQUIDATED DAMAGES.

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss, if all or any part of the Work is not completed within the time specified in the Job Order, plus any extensions thereof. Accordingly, County and Contractor agree that liquidated damages for delay will be established by County for each Job Order. Contractor shall pay County the dollar amount stipulated in the Job Order for each day that expires after the time specified therein for contractor to achieve Completion.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be

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presumed to be the damages suffered by County resulting from delay in completion of the Work.

Liquidated damages for delay shall only cover project administrative (such as Project management and consultant expenses) and cost damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS.

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT.

The contract entered into by this Agreement consists of the following documents, all of which are component parts of the contract as if herein set out in full or attached hereto:

- Notice to Contractors
- Information for Bidders
- Bid, as accepted
- Noncollusion Affidavit
- Workers' Compensation Certificate
- Affidavit Concerning Employment of Undocumented Aliens
- Contractor's Certification of Good Faith Effort to Employ Monterey Bay Area Residents
- Statement of Bidder's Qualifications
- Written Plan to Recruit Monterey Bay Area Residents, when applicable
- Bid Bond or Bidder's Security
- Agreement
- Performance Bond
- Payment Bond
- Insurance Certificate
- Division 00710 General Conditions, Bid No. NMC 2025-01, NMC 2025-02,
- Project Manual
- Construction Task Catalog®
- Technical Specifications
- As issued, Addenda No: 1, 2, 3

All of the above-named contract documents are intended to be complementary. Work required by one of the above-named contract documents and not by others shall be done as if required by all.

IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

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CONTRACTOR:

Newton Construction & Management Inc.
(Name of Company)

By: _____
Signature of Chair, President, or Vice-President

Eric Newton, President
Printed Name and Title

Date: 7/14/25

By: _____
Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*

Eric Newton, Secretary
Printed Name and Title

Date: 7/14/25

COUNTY OF MONTEREY:

By: _____

Name: Charles Harris, MD

Title: Natividad Medical Center CEO

Dated: _____

APPROVE AS TO FISCAL TERMS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...

Name: Rupa Shah, CPA

Title: Chief Deputy Auditor-Controller

Date: 7/23/2025 | 1:15 PM PDT

APPROVE AS TO FORM

By: _____

Name: Kristen Aldrich

Title: NMC Purchasing Manager

Date: _____

APPROVE AS TO FORM & LEGALITY

By: DocuSigned by: Stacy Saetta C0ECE1B99F444A9...

Name: Stacy Saetta

Title: Deputy County Counsel

Date: 7/23/2025 | 1:25 PM PDT

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EXECUTED IN 1 ORIGINAL COUNTERPART
BOND NUMBER: 7901271813

PERFORMANCE BOND

(Public Contract Code Section 20129)
Division 00600

WHEREAS, the County of Monterey has awarded to Principal,

NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Contractor, for the following project:

PROJECT NO. 2025 JOC, BID NO. NMC 2025-02; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the faithful performance of said contract.

NOW, THEREFORE, we NEWTON CONSTRUCTION & MANAGEMENT, INC.
as Principal, and NATIONWIDE MUTUAL INSURANCE COMPANY

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall indemnify, defend, and save harmless the County, the members of its board of supervisors, and its officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.

Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the contract, Surety may promptly remedy the default, or shall promptly:

3. Complete the contract in accordance with its terms or conditions, or
4. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by the County of Monterey and Surety of the lowest responsible and responsive bidder, arrange for a contract between such bidder and the County of Monterey, and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees, and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 17TH day of JULY, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) NEWTON CONSTRUCTION & MANAGEMENT, INC.
Principal

By: _____

Title: ERIC NEWTON

(Corporate Seal) NATIONWIDE MUTUAL INSURANCE COMPANY
Surety

By: _____
KEVIN VEGA

Title: ATTORNEY-in-FACT

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

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Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

BRITTON CHRISTIANSEN; KEVIN VEGA; PHILIP E VEGA;

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

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and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 17th day of July, 2025.

Assistant Secretary

BDJ 1(04-24)00

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

} ss.

County of LOS ANGELES }

On July 17th, 2025 before me, Philip Vega, Notary Public
Here Insert Name and Title of the Officer

personally appeared Kevin Vega, Attorney-in-Fact
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

PHILIP VEGA
Notary Public - California
Los Angeles County
Commission # 2490569
My Comm. Expires May 31, 2028

Signature: _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title of Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

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EXECUTED IN 1 ORIGINAL COUNTERPART
BOND NUMBER: 7901271813

PAYMENT BOND

(Civil Code section 9550)
Division 00610

WHEREAS, the County of Monterey has awarded to Principal,

NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Contractor, a contract for the following project:

PROJECT NO. JOC 2025, BID PACKAGE NO. NMC 2025-02; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material providers, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Principal, and NATIONWIDE MUTUAL INSURANCE COMPANY

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Two Million Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If Principal or any of Principal's heirs, executors, administrators, successors, assigns, or subcontractors (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the contract on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

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This bond inures to the benefit of any of the persons named in Civil Code section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHEREOF the above-bounden parties have executed this instrument under their several seals this 17TH day of JULY, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) NEWTON CONSTRUCTION & MANAGEMENT, INC.

Principal

By: _____

Title: PRESIDENT

(Corporate Seal) NATIONWIDE MUTUAL INSURANCE COMPANY

Surety

By: _____ KEVIN VEGA

Title: ATTORNEY-in-FACT

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

BRITTON CHRISTIANSEN; KEVIN VEGA; PHILIP E VEGA;

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss
On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 17th day of July, 2025.

Assistant Secretary

BDJ 1(04-24)00

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

} ss.

County of LOS ANGELES }

On July 17th, 2025 before me, Philip Vega, Notary Public
Here Insert Name and Title of the Officer

personally appeared Kevin Vega, Attorney-in-Fact
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

PHILIP VEGA
Notary Public - California
Los Angeles County
Commission # 2490569
My Comm. Expires May 31, 2028

Signature:
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title of Type of Document:

Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:
☐ Individual
☐ Corporate Officer Title(s):
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Signer's Name:
☐ Individual
☐ Corporate Officer Title(s):
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

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BID FORM
Division 00300

MONTEREY COUNTY BOARD OF SUPERVISORS

MAILING ADDRESS		P O BOX 1728 SALINAS, CA 93902
PHYSICAL ADDRESS		168 W. ALISAL ST 1st FLR SALINAS, CA 93901

PROJECT NO. 2025, JOB ORDER CONTRACTING
BID PACKAGE NO. NMC 2025-02

NAME OF BIDDER: Newton Construction & Management, Inc.

BUSINESS ADDRESS: 2436 Broad Street San Luis Obispo CA 93401

TELEPHONE NUMBER: 805-208-2982

PLACE OF RESIDENCE: 801 Lighthouse Ave #213 Monterey CA 93940

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

BID FORM

PROJECT NO. 2025, JOB ORDER CONTRACTING
BID PACKAGE NO. NMC 2025-02

TO: MONTEREY COUNTY BOARD OF SUPERVISORS

1. Pursuant to and in compliance with your Notice to Bidders and the Contract Documents relating to the JOC NMC 2025-02 the undersigned Bidder, having become thoroughly familiar with the terms and conditions of the Contract Documents and with local conditions affecting the performance and the costs of the Work, hereby proposes and agrees to fully perform authorized Work within the time(s) stated and in strict accordance with the Contract Documents and each Job Order, including providing any and all labor and materials, and performing all the work required to construct and to complete said Work in accordance with the requirements of the Contract Documents, for the following Adjustment Factors, carried out to four (4) decimal places:

Adjustment Factors:

OSHPD 1 Normal Working Hours:** Work performed under OSHPD 1 conditions during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1900

OSHPD 1 Other than Normal Working Hours:** Work performed under OSHPD 1 conditions during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1900

Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1800

Other than Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.2000

* Bids will be rejected, as non-responsive if the 'Other than Normal Working Hours' Adjustment Factors are not equal to or greater than the 'Normal Working Hours' Adjustment Factors.

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** Bids will be rejected, as non-responsive if the 'OSHPD1' Adjustment Factors are not equal to or greater than the 'Other than OSHPD 1' Adjustment Factors.

Award Criteria Figure Formula

Award Criteria Figure Formula percentages are for Bid purposes only. The County is not obligated to issue Job Orders in the stated percentages.

Line 1.	OSHPD 1 Normal Working Hours Adjustment Factor	9. 1.1900
Line 2.	Multiply Line 1 by 60% = (0.60 x Line 1)	10. 0.7140
Line 3.	OSHPD 1 Other than Normal Working Hours Adjustment Factor	11. 1.1900
Line 4.	Multiply Line 3 by 10% = (0.10 x Line 3)	12. 0.1190
Line 5.	Normal Working Hours Adjustment Factor	13. 1.1800
Line 6.	Multiply Line 5 by 20% = (0.20 x Line 5)	14. 0.2360
Line 7.	Other than Normal Working Hours Adjustment Factor	15. 1.2000
Line 8.	Multiply Line 7 by 10% = (0.10 x Line 7)	16. 0.1200
Line 9.	Add Lines: 2,4,6 and 8 (This is the Award Criteria Figure)	ACF = 1.1890

2. Determination of lowest bidder will be based upon the lowest Award Criteria Figure.

3. Specify lines 1 through 9 to four (4) decimal places. Use conventional rounding methodology (i.e., if the number in the 5th decimal place is 0-4, the number in the 4th decimal remains unchanged; if the number in the 5th decimal place is 5-9, the number in the 4th decimal is rounded upward).

4. The Other Than Normal Working Hours Adjustment Factors must be greater than or equal to

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the Normal Working Hours Adjustment Factors.

5. The weighted multipliers above are for the purpose of calculating an Award Criteria Figure only. No assurances are made by the County that Work will be ordered under the Contract in a distribution consistent with the weighted percentages above. The Award Criteria Figure is only used for the purpose of determining the Bid.

6. When submitting Job Order Price Proposals related to specific Job Orders, the Bidder shall utilize one or more of the Adjustment Factors applicable to the Work being performed.

7. The Construction Task Catalog® is priced at a net value of 1.0000. The bid shall be an increase to" (e.g., 1.1000 or decrease e.g., 0.9500) to the Unit Prices listed in the Construction Task Catalog®. Bidders who submit separate Adjustment Factors for separate Unit Prices will be considered non-responsive and their bid will be rejected.

8. The undersigned has checked all above figures carefully and understands that the County will not be responsible for any errors and omissions on the part of the undersigned in making this bid.

9. It is understood that the County reserves the right to reject any and all bids or waive any informalities or irregularities in any bids or in the bidding.

10. This bid shall remain valid and will not be withdrawn by the undersigned bidder for a period of ninety (90) days from the date prescribed for opening of this bid without the written consent of the County.

11. Attached hereto are the following:
   a) Non-Collusion Affidavit;
   b) Workers' Compensation Certificate;
   c) Affidavit Concerning Employment of Undocumented Aliens;
   d) Contractor's Certification of Good-Faith Effort to Employ Monterey Bay Area Residents;
   e) Statement of Bidder's Qualifications
   f) Written Plan to Recruit Monterey Bay Area Residents, when applicable;
   g) Required bidder's security in the amount of $25,000; and
   h) Acknowledgment of Addenda, if any.

12. If this bid is accepted by the County, then the undersigned shall, within ten (10) workdays after receipt of the Notice of Intent to Award letter, execute and deliver to the County (a) a contract in the form set forth in the contract documents on which this bid is based, (b) a payment bond for public works, as required by the contract documents, and (c) a performance bond, as similarly required, and (d) an Insurance Certificate, as similarly required. The undersigned will thereafter commence and complete the work within the time required by the contract documents.

13. Notice of acceptance and any requests for additional information shall be addressed to the undersigned at the following address:

PROJECT MANAGER: BRIAN GRIFFIN
NATIVIDAD MEDICAL CENTER - ENGINEERING OFFICES

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1441 CONSTITUTION BLVD.
SALINAS, CA 93906
TELEPHONE: (831) 755-4220

14. The names of all persons interested in the foregoing proposal as principals are as follows:

Eric Newton	President and Secretary
Name	Title
Rodessa Newton	Treasurer
Name	Title
Name	Title

(**IMPORTANT NOTICE**: If the bidder or other interested person is a corporation, state the legal name of the corporation, and the names of the president, secretary, treasurer, and manager thereof; if a partnership, state the name of the firm and the names of all the individual partners composing the firm; if the bidder or other interested person is an individual, state the first and last names in full and give all fictitious names under which the individual does business.)

15. By execution of this bid, the undersigned bidder declares that he or she is a contractor licensed in accordance with the Contractors' State License Law, as follows:

Classification: B C10 A C16
License number: 783608
Expiration date: 9/30/26

16. The undersigned certifies that at the time of bid, Contractor has a staffed office located within the Monterey Bay Area (Monterey County, Santa Cruz County, or San Benito County).

Address, Phone and Fax of office that meets the above requirement:

Street: 801 Lighthouse Ave #213
City, State, Zip: Monterey CA 93940
Telephone: 805-208-2982 Fax: N/A

17. The undersigned certifies that Contractor meets the experience requirements outlined in the Information to Bidders section 5 – A-B and within three calendar days of request by County shall submit evidence of compliance with the qualifications and a list of all work performed, both complete and incomplete, within the previous three years including names and phone numbers of the Public Agencies.

18. In the event the bidder to whom Notice of Intent to Award Contract is given fails or refuses to post the required bonds and insurance and return the executed copies of the agreement form within ten (10) working days from the date of receiving the Notice of Intent to Award letter Contract, the

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County may declare the bidder's security forfeited as damages and contract with the second lowest bidder.

19. Pursuant to section 7103.5(b) of the Public Contract Code, in submitting a bid to the County, the bidder offers and agrees that if the bid is accepted, it will assign to the County all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder.

Dated	7/10/25
Bidder's Business Name	Newton Construction & Management, Inc.
By	
Principal Signature	
Principal Name (Print)	Eric Newton
Principal Title (Print)	President
By	
Principal Signature	
Principal Name (Print)	Eric Newton
Principal Title (Print)	Secretary
(Corporate Seal)	

NOTE: ***If bidder is a corporation, the full legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the document shall bear the corporate seal; if bidder is a partnership, the full name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if bidder is an individual, his signature shall be placed above.***

20. Addenda bound with Contract Documents or issued during the time of bidding, are to be acknowledged below

Addendum No. 1 ***Date:*** 6/18/25 resent 7/1/25

Addendum No. 2 ***Date:*** 6/23/25 resent 7/1/25

Addendum No. 3 ***Date:*** 7/1/25

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NON-COLLUSION DECLARATION
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID

(Public Contract Code Section 7106)
Division 00400

The undersigned declares:

I am the President of Newton Construction & Management, Inc. the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his Adjustment Factors or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on July 10, 2025 [date], at _____ San Luis Obispo [city], California [state].

Signature: _____

Print Name: Eric Newton

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

CONTRACTOR'S CERTIFICATE AS TO WORKERS' COMPENSATION
TO BE SUBMITTED WITH BID

(Labor Code section 1861)
Division 00410

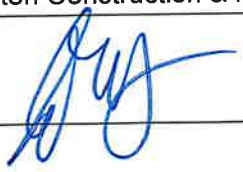
Labor Code section 3700 provides, in relevant part:

> "Every employer except the state shall secure the payment of compensation in one or more of the following ways:
>
> (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.
>
> (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees."

I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: 7/10/25

Bidder's Business Name: Newton Construction & Management, Inc.

By: 

Print Name: Eric Newton

Print Title: President

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AFFIDAVIT CONCERNING EMPLOYMENT OF UNDOCUMENTED ALIENS TO BE SUBMITTED WITH BID

Division 00420

(Public Contract Code section 6101)

State of California)
)§
County of San Luis Obispo)

Public Contract Code section 6101 provides that,

No state agency or department, as defined in [Public Contract Code] Section 10335.7, that is subject to this code, shall award a public works or purchase contract to a bidder or contractor, nor shall a bidder or contractor be eligible to bid for or receive a public works or purchase contract, who has, in the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

Eric Newton, being first duly sworn, deposes and says (1) that he or she is the President of Newton Construction & Management, Inc., the party making the foregoing bid; and (2) that the party making the foregoing bid has not, within the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

Dated: 6/23/25

Bidder's Business Name: Newton Construction & Management, Inc.

By: _____

Print Name: Eric Newton

Print Title: President

Subscribed and sworn to me this _____ day of _____ 2025.

Notary Public in and for the County of see attached

State of California

My Commission expires on: _____ [Notary Stamp]

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Luis Obispo

Subscribed and sworn to (or affirmed) before me on this _____ day of June 23, 2025, by Eric Newton _____,
proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

LACEE NOWAK
Notary Public - California
San Luis Obispo County
Commission # 2386528
My Comm. Expires Dec 12, 2025

(Seal)

Signature _____
Lacee Nowak, Notary public

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CONTRACTOR'S CERTIFICATION OF GOOD-FAITH EFFORT TO EMPLOY MONTEREY BAY AREA RESIDENTS

(TO BE SUBMITTED WITH BID)

(Monterey County Code section 5.08.120)

Division 00430

I CERTIFY THAT I am aware of the provision of Monterey County Code Section 5.08.120.

Monterey County Code Section 5.08.120 provides, in relevant part:

A. General Provisions. All County contracts for public works of improvement shall contain provisions pursuant to which the contractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area in sufficient numbers so that no less than fifty percent (50%) of the contractors total construction work force, on that particular contract, including any subcontractor work force (with exception of specialty subcontractor items identified in bid items) measured in labor work hours, is comprised of Monterey Bay Area residents.

B. Non-responsive Bidder Declaration: Enforcement. If any contractor submitting a bid for a contract for public works of improvement fails to abide by the good-faith local employment provisions of this Section, the contractor may be declared by the Board to be a non-responsive bidder for purposes of this Chapter. If the Board finds that a contractor to whom a contract for public works of improvement has been awarded has failed to comply with the good-faith employment provisions of this Section during the performance of the contract, the Board may disqualify the contractor from bidding on any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation of this Section by a contractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

C. Binding on Subcontractors. Every contractor entering into a contract for public works of improvement subject to the provisions of this Section shall include in each and every subcontract for work, laborers, or material suppliers relating to the project the requirement that the subcontractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area. If the Board finds that any subcontractor has failed during the performance of the subcontract to comply with this Section, the Board may disqualify said subcontractor from submitting or being listed in any bid for any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation by a subcontractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

I FURTHER CERTIFY AS FOLLOWS (check the box that applies):

☐ I CERTIFY that at least fifty percent (50%) of the total construction work force on the project, including any subcontractor work force, measured in labor work hours, will be comprised of qualified individuals who to the best of my knowledge are, and have been for at least one (1)

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year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area. Evidence that I will comply with this requirement is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

☑ I CERTIFY that I shall make a good-faith effort to employ qualified individuals who, to the best of my knowledge, are, and have been for at least one (1) year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area in sufficient numbers such that no less than fifty percent (50%) of the total construction work force on the project, including any subcontractor work force (with the exception of specialty subcontractor items identified in the bid items) measured in labor work hours, will be comprised of Monterey Bay Area residents. **Attached is my written plan to recruit Monterey Bay Area residents as part of the construction workforce.**

☐ I CERTIFY that I do not comply with and am unable to make a good-faith effort to comply with the good-faith local employment provisions set forth in Monterey County Code Section 5.08.120. Explanation to why I am not able to comply is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

I declare under penalty of perjury under the laws of the State of California that the foregoing certification is true and correct. Executed on (date) 7/10/25
at (city/state) San Luis Obispo, CA.

Bidder's Business Name: Newton Construction & Management, Inc.

By: _____

Print Name: Eric Newton

Print Title: President

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NEWTON
CONSTRUCTION & MANAGEMENT

Subject: Plan to recruit Monterey Bay Residents as part of construction workforce.

Newton Construction has held multiple County of Monterey JOC contracts for roads and bridges and facilities since 2017. Additionally, NCM has held a City of Salinas JOC for five years. NCM has completed over fifteen million in public works projects in the County of Monterey. During this time NCM has developed an extensive local subcontractor base. Almost all projects completed have local workers as part of the construction force as we strive to contract with local subcontractors whenever possible.

NCM will also solicit for positions of management through various job posting websites with an emphasis on local residents.

P.O. Box 3260 San Luis Obispo, CA 93403 (805) 544-5583 (805) 544-5584 Fax

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STATEMENT OF BIDDER'S QUALIFICATIONS

1441 CONSTITUTION BLVD. SALINAS, CA 93906
PROJECT NO. JOC 2025
BID PACKAGE NO. NMC 2025-01, NMC 2025-02

Statement of Bidder's Qualifications below are included as part of the contract for the above project.

Bidder shall have a minimum of five (5) years of experience with acute care healthcare facility projects under OSHPD jurisdiction. In all instances in this form, "Qualifying Project" means a project which must meet all of the following:

1. ***Project work took place in the following medical facility environment:***
   a. ***Tenant Improvement or remodel in a licensed OSHPD facility (preferably Type 1; outpatient surgery clinic, Type 3 would also be acceptable) that remained operational during your construction project.***

2. ***Project work took place where infection prevention measures were required throughout construction following ICRA Class III or IV protocols.***

3. ***Project had a full-time Supervisor present in the above described settings during ALL construction activities – days, evenings, swing, weekends.***

4. ***Project was completed within the last five (5) years.***

5. ***Your firm's construction contract cost was at least $100,000 as awarded (excluding change orders).***

The Construction project will require work to be performed within an operating acute care healthcare facility, which presents unique challenges with regard to safety and coordination. The minimum experience requirements below are essential to the successful performance of the work for this project. Failure of any bidder to possess any of the mandatory minimum experience requirements (or substantial equivalent), or failure to provide documentation verifying them may result in the rejection of the Bidder's bid at the sole discretion of the Hospital.

The undersigned Bidder represents and warrants that the information provided in response to this Contractor Qualification form is true and accurate to the best of its knowledge, and that the undersigned intends that the Hospital rely thereon in awarding the subject Contract. Moreover, the undersigned Bidder understands that a material false statement or omission is sufficient cause for disqualifying its bid or cancellation of the Contract at the sole discretion of the Hospital.

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Dated: 7/10, 2025

Signature of Bidder

President
Title

Each Bidder shall provide the following information related to its three (3) most recently completed acute care healthcare facility projects under OSHPD jurisdiction. Names and references must be current and verifiable.

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PROJECT 1

Project Name: Heath Records Refresh Bldg. 580, 2nd Floor

Location: Natividad Medical Center 1441 Constitution Blvd, Salinas CA 93912

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Tenant Improvement, refresh of finishes, rework power and data to accommodated new office layout

Total Value of Original Construction Project (as bid):	$	119,023.34
Total Value of Change Orders:	$	0
Final Contract Price:	$	119,023.34
Original Scheduled Completion Date:		2/21/22
Time Extensions Granted (number of calendar days):		31Due Plan Detail Changes
Actual Date of Completion:		3/24/23

Owner Contact (name and current phone number):

Brian Griffin 831-783-2605

Architect or Engineer Contact (name and current phone number):

Chris Barlow 831-649-4642

Owner's Representative (name and current phone number):

Brian Griffin 831-783-2605

Inspector(s) on the Project (name and current phone number):

George Narancic 408-460-3345

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

PROJECT 2

Project Name: UCSB Neutrino & Dark Matter Lab Broida Hall 572

Location: UCSB Broida Hall Bldg 572 and PSB South, Bldg. 672 Santa Barbara CA

Owner: University of California Santa Barbara

Description of Project, Scope of Work Performed:

Renovation - Mechanical - Plumbing - Construction of soft wall clean rooms

Total Value of Original Construction Project (as bid):	$	1,363,000.00
Total Value of Change Orders:	$	-32,985.00
Final Contract Price:	$	1,330,015.00
Original Scheduled Completion Date:		12/7/21
Time Extensions Granted (number of calendar days):		140 extension due to equipment delays
Actual Date of Completion:		6/1/22

Owner Contact (name and current phone number):

UCSB Facilities Management Bldg 572 805-448-1379

Architect or Engineer Contact (name and current phone number):

Shubin Donaldson 805-682-7000

Owner's Representative (name and current phone number):

Telli Foster PM 805-448-1379

Inspector(s) on the Project (name and current phone number):

Thomas Hass UCSB Inspector 805-450-4985

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PROJECT 3

Project Name: Trace Metal Clean Lab Webb Hall Bldg 526

Location: UCSB Santa Barbara CA

Owner: University of California Santa Barbara

Description of Project, Scope of Work Performed:

Construct TMLC Clean Suite and TMIS Instrument Suite
Mechanical, Framing, Plumbing, Electrical, ect designed for
ISO Classified clean room

Total Value of Original Construction Project (as bid): $ 2,345,000.00

Total Value of Change Orders: $ 103,884.00

Final Contract Price: $ 2,448,884.00

Original Scheduled Completion Date: 11/11/19

Time Extensions Granted (number of calendar days): 330 Covid delays and supply delays

Actual Date of Completion: 10/10/21

Owner Contact (name and current phone number):

UCSB Facilities Management Bldg 572 805-448-1379

Architect or Engineer Contact (name and current phone number):

Shubin Donaldson 805-682-7000

Owner's Representative (name and current phone number):

Jennifer Peirce PE 805-451-1680

Inspector(s) on the Project (name and current phone number):

Bill Mcgreevy UCSB IOR 805-729-2648

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BID BOND

Division 00440

(Public Contract Code Section 20129)

WHEREAS the Principal has submitted the accompanying bid dated JULY 10TH, 2025, to the County of Monterey, for the following project: **PROJECT NO. JOC 2025, BID NO. NMC 2025-02.**

WHEREAS, Principal, as bidder, is required to furnish a bond executed by an admitted surety in connection with said bid, to secure the timely execution of the contract and delivery of bonds and insurance certificates, in the event that the contract is awarded to the Principal.

NOW, THEREFORE, we NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Principal, and NATIONWIDE MUTUAL INSURANCE COMPANY

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Twenty five thousand Dollars ($ 25,000.00), of the Principal submitted to the said County for the above-described project, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal is awarded the contract and, within the time and manner required under the contract documents for the above-described project, after the prescribed forms are presented to him for signature, (1) enters into a written contract in the prescribed form, in accordance with the bid, (2) files such insurance certificates with the County as may be required by said contract documents, and (3) files a performance bond and a payment bond with the County, in conformity with said contract documents, then this obligation shall be null and void; otherwise, it shall remain in full force.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed there under, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 19TH day of JUNE, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

NEWTON CONSTRUCTION & MANAGEMENT, INC.
Principal

By: _____
Eric Newton

Title: President

(Corporate Seal)

NATIONWIDE MUTUAL INSURANCE COMPANY
Surety

By: _____
KEVIN VEGA

Title: ATTORNEY-in-FACT

Attach: 1) A Copy of authorization for signature for Principal, and 2) An original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

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Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

BRITTON CHRISTIANSEN; KEVIN VEGA; PHILIP E VEGA;

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 19th day of June, 2025.

Assistant Secretary

BDJ 1(04-24)00

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

} ss.

County of LOS ANGELES }

On June 19th, 2025 before me, Philip Vega, Notary Public
Here Insert Name and Title of the Officer

personally appeared Kevin Vega, Attorney-in-Fact
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

PHILIP VEGA
Notary Public - California
Los Angeles County
Commission # 2490569
My Comm. Expires May 31, 2028

Signature: _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title of Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

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No. 1805-1

STATE OF CALIFORNIA

DEPARTMENT OF INSURANCE

SAN FRANCISCO

Amended

Certificate of Authority

THIS IS TO CERTIFY *that, pursuant to the Insurance Code of the State of California,*

Nationwide Mutual Insurance Company

of Ohio, organized under the laws of Ohio, subject to its Articles of Incorporation or other fundamental organizational documents, is hereby authorized to transact within this State, subject to all provisions of this Certificate, the following classes of insurance:

Fire, Marine, Surety, Disability, Plate Glass, Liability, Workers' Compensation, Common Carrier Liability, Boiler and Machinery, Burglary, Sprinkler, Team and Vehicle, Automobile, Aircraft, Legal, and Miscellaneous

as such classes are now or may hereafter be defined in the Insurance Laws of the State of California.

THIS CERTIFICATE *is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of California as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.*

IN WITNESS WHEREOF, *effective as of the 22nd day of May, 2013, I have hereunto set my hand and caused my official seal to be affixed this 22nd day of May, 2013.*

Dave Jones
Insurance Commissioner

By

Valerie J. Sarfaty
for Nettie Hoge
Chief Deputy

NOTICE:
Qualification with the Secretary of State must be accomplished as required by the California Corporations Code promptly after issuance of this Certificate of Authority. Failure to do so will be a violation of Insurance Code section 701 and will be grounds for revoking this Certificate of Authority pursuant to the covenants made in the application therefor and the conditions contained herein.

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 1

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **SUBMISSION DEADLINE:** Revise deadline for receipt of sealed bids to: **11:00 A.M (PST) on Thursday, July 10, 2025 at the following address, at which time they will be publicly opened and read in the Board of Supervisors Conference Room 1032. Office of the Clerk of the Board of Supervisors.**

County of Monterey
168 W. Alisal St. 2nd Floor
Salinas, CA 93901
(Mailing Address: P.O. Box 1728, Salinas, CA 93902-1728)

2. **UPDATED DOCUMENTS: Technical Specification, 2024 Notice to Contractors, 2025 Project Manual**

Addendum 1 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 1 **, 2025**

Bidder's Business Name Newton Construction & Management, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) Eric Newton

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 1

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 2

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **MANDATORY BIDDERS MEETING: A MANDATORY BIDDERS MEETING with NMC Project Manager is scheduled for Monday, June 23, 2025, at 10:00 am at NMCs Natividad Conference Room at 1441 Constitution Blvd., Salinas, CA 93906.**

2. **UPDATED DOCUMENTS: 2025 Notice to Contractors, 2025 Project Manual**

Addendum 2 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 1 **, 2025**

Bidder's Business Name Newton Construction & Management, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) Eric Newton

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 2

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 3

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **UPDATED DOCUMENTS: Prebid Meeting Sign-in Sheet**

Addendum 3 Acknowledgment (***This Acknowledgment page must be included in bid package***)**:**

Dated July 1 **, 2025**

Bidder's Business Name Newton Construction & Management, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) Eric Newton

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 3

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dca
DEPARTMENT OF CONSUMER AFFAIRS

CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE

License Number **783608** Entity CORP

Business Name NEWTON CONSTRUCTION & MANAGEMENT INC

Classification(s) B C10 A C16

Expiration Date 09/30/2026 www.cslb.ca.gov

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NEWTON
CONSTRUCTION & MANAGEMENT

UNANIMOUS WRITTEN CONSENT OF DIRECTORS IN LIEU OF MEETING OF THE BOARD OF DIRECTORS

NEWTON CONSTRUCTION & MANAGEMENT, INC.

January 1, 2006

The undersigned, being the directors of the corporation, acting pursuant to the authority of Section 307 of the California General Corporations Law, hereby adopt the following recitals and resolution, effective on the date set forth above.

WHEREAS, it is contemplated that the corporation will enter into contracts with third parties in conducting the business of the corporation, it is

RESOLVED, that Eric Newton, President and Secretary of the corporation, is hereby authorized to sign any and all contracts for and on behalf of the corporation.

Eric Newton

Director

Rodessa Newton

Director

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AGREEMENT
Division 00500

THIS AGREEMENT is made by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and **Staples Construction Company Inc** (contractor), hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is date County signs.

THE COUNTY AND THE CONTRACTOR hereby agree as follows:

ARTICLE 1. SCOPE OF WORK.

This Job Order Contract (JOC) is an indefinite quantity contract pursuant to which the Contractor will perform a variety of Job Orders, consisting of specific construction tasks. The scope of this JOC is for general construction, repair, remodel and other repetitive related work. The County has published a Construction Task Catalog® (CTC) containing a series of construction tasks with preset Unit Prices. The CTC was developed using experienced labor and high quality materials. All Unit Prices are based on local labor, material and equipment prices including the current prevailing wages. The Contractor will bid Adjustment Factors to be applied to the Unit Prices. The price of an individual Job Order will be determined by multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

The scope of Work for this Contract will be determined by the Detailed Scopes of Work issued in connection with individual Job Orders. The scope of work, for each Job Order will be explained to the Contractor at a Joint Scope Meeting. The County will provide a Request for Job Order Proposal and Detailed Scope of Work to the Contractor. The Contractor will be required to review the Detailed Scope of Work and develop a Price Proposal using appropriate tasks, quantities and the applicable Adjustment Factor. The County will review the Contractor's Proposal in detail and if found to be reasonable and acceptable, a Job Order may be issued. The agreed upon price will be fixed price for the performance of the detailed Scope of Work.

The CONTRACTOR shall, within the time stipulated, perform the contract as herein defined and shall furnish all work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project:
PROJECT NO. JOC, BID NO. NMC 2025-01.

ARTICLE 2. TIME FOR START AND COMPLETION.

Contract Time commences upon the written execution of the Contract by County and shall end either one year from the date signed by county or upon the payment by County to Contractor of the maximum amount payable under this Agreement, whichever occurs earlier. County will not issue any new Job Orders after the expiration of this Agreement. Any Job Order authorized prior to the expiration of the Agreement must be completed within the time specified in the Job Order. In the event the scheduled completion for any Job Order extends beyond the term of this Agreement, Contractor and County agree that the terms of this Agreement shall continue in effect and be applicable for such Job Orders. A separate Job Order Notice to Proceed will be issued for each Job Order. Each Job Order will specify a time limit for completion as stated on the Job Order Notice to Proceed.
Changes to the Contract may be accomplished after execution of the Contract and without invalidating

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the Contract, by Change Order.

ARTICLE 3. ADJUSTMENT FACTORS

The Contractor shall perform all work required, necessary, proper for or incidental to completing the Detailed Scope of Work called for in each individual Job Order issued pursuant to this Contract for the Unit Prices set forth in the Construction Task Catalog®. County shall pay Contractor the Job Order Price for completion of Work in accordance with Contract Documents and the Detailed Scope of Work described in each Job Order multiplied by the following Adjustment Factors:

ADJUSTMENT FACTORS

ITEM	DESCRIPTION	ADJUSTMENT FACTORS
1.	OSHPD 1 Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1690
2.	OSHPD 1 Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.2190
3.	Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1690
4.	Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.2190

The Minimum Contract Value is $25,000. Contractor will receive the opportunity to perform at least $25,000 during the Contract term. The Maximum Contract Value is $6,210,093 for JOC NMC 2025-01. County does not guarantee Contractor will receive this volume of Work. County may award contracts or issue Job Orders to other contractors for the same or similar Work during the term of this Agreement. In no event will Contractor be issued Job Orders which, in total, exceed the Maximum Contract Value. At no time may the sum of the outstanding Job Orders exceed the amount of the Payment Bond and Performance Bond. A Job Order is outstanding until County has accepted the Work described in the Job Order by recordation of a Notice of Completion. Contractor will not be issued Job Orders which in total exceed the Maximum Contract Value.

ARTICLE 4. LIQUIDATED DAMAGES.

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss, if all or any part of the Work is not completed within the time specified in the Job Order, plus any extensions thereof. Accordingly, County and Contractor agree that liquidated damages for delay

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will be established by County for each Job Order. Contractor shall pay County the dollar amount stipulated in the Job Order for each day that expires after the time specified therein for contractor to achieve Completion.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by County resulting from delay in completion of the Work.

Liquidated damages for delay shall only cover project administrative (such as Project management and consultant expenses) and cost damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS.

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT.

The contract entered into by this Agreement consists of the following documents, all of which are component parts of the contract as if herein set out in full or attached hereto:

- Notice to Contractors
- Information for Bidders
- Bid, as accepted
- Noncollusion Affidavit
- Workers' Compensation Certificate
- Affidavit Concerning Employment of Undocumented Aliens
- Contractor's Certification of Good Faith Effort to Employ Monterey Bay Area Residents
- Statement of Bidder's Qualifications
- Written Plan to Recruit Monterey Bay Area Residents, when applicable
- Bid Bond or Bidder's Security
- Agreement
- Performance Bond
- Payment Bond
- Insurance Certificate
- Division 00710 General Conditions, Bid No. NMC 2025-01, NMC 2025-02,
- Project Manual
- Construction Task Catalog®
- Technical Specifications
- As issued, Addenda No:___

All of the above-named contract documents are intended to be complementary. Work required by one of the above-named contract documents and not by others shall be done as if required by all.

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IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

CONTRACTOR:

Staples Construction Company, Inc.
(Name of Company)

By: _____
Signature of Chair, President, or Vice-President

David Staples, President
Printed Name and Title

Date: 7/15/2025

By: _____
Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*

Tonya R. Staples, Secretary/Treasurer
Printed Name and Title

Date: 7/15/2025

COUNTY OF MONTEREY:

By: _____
Name: Charles Harris, MD
Title: Natividad Medical Center CEO
Dated: _____

APPROVE AS TO FISCAL TERMS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Name: Rupa Shah, CPA
Title: Chief Deputy Auditor-Controller
Date: 7/23/2025 | 1:16 PM PDT

APPROVE AS TO FORM

By: _____
Name: Kristen Aldrich
Title: NMC Purchasing Manager
Date: _____

APPROVE AS TO FORM & LEGALITY

By: DocuSigned by: Stacy Saetta C0ECE1B99F444A9...
Name: Stacy Saetta
Title: Deputy County Counsel
Date: 7/23/2025 | 1:24 PM PDT

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THE FINAL PREMIUM IS
PREDICATED ON THE
FINAL CONTRACT AMOUNT

Bond No. 800191353
Premium: $23,575.00

PERFORMANCE BOND

(Public Contract Code Section 20129)
Division 00600

WHEREAS, the County of Monterey has awarded to Principal,

Staples Construction Company, Inc.

as Contractor, for the following project:

PROJECT NO. 2025 JOC, BID NO. NMC 2025-01; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the faithful performance of said contract.

NOW, THEREFORE, we Staples Construction Company, Inc.
as Principal, and Atlantic Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall indemnify, defend, and save harmless the County, the members of its board of supervisors, and its officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.

Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the contract, Surety may promptly remedy the default, or shall promptly:

1. Complete the contract in accordance with its terms or conditions, or
2. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by the County of Monterey and Surety of the lowest responsible and responsive bidder, arrange for a contract between such bidder and the County of Monterey, and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees, and investigation expenses.

IN WITNESS WHEREOF, the above-bonded parties have executed this instrument under their several seals this 16th day of July, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) Staples Construction Company Inc.
Principal

By: _____

Title: David Staples, President

(Corporate Seal) Atlantic Specialty Insurance Company
Surety

By: _____
Shaunna Rozelle Ostrom

Title: Attorney-in-Fact

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 07/16/2025 before me, Melissa Ann Vaccaro, Notary Public
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MELISSA ANN VACCARO
COMM. #2401942
Notary Public-California
ORANGE COUNTY
My Comm. Expires May 12, 2026

FRS3 FRS3

Signature Melissa Ann Vaccaro (Seal)
Melissa Ann Vaccaro

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

intact INSURANCE

Bond No. 800191353

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Adrian Langrell, Arturo Ayala, Ben Stong, Benjamin Wolfe, Chelsea Liberatore, Daniel Huckabay, Frank Morones, Magdalena R. Wolfe, Michael D Stong, Shaunna Rozelle Ostrom**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By: _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 16th day of July, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

This Power of Attorney expires
January 31, 2030

_____
Kara L.B. Barrow, Secretary

Please direct bond verifications to surety@intactinsurance.com

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF STAPLES CONSTRUCTION CO., INC.

A special meeting of the Board of Directors of Staples Construction Co., Inc. was held in the conference room at 1501 Eastman Avenue, Ventura, CA on November 24, 2009.

The following directors were present:

David R. Staples, also known as David Staples
Tonya R. Staples

The following persons officiated at the meeting:
Chairman of the meeting: David R. Staples, aka David Staples
Secretary of the meeting: Tonya R. Staples

The chairman initiated a discussion regarding a corporate resolution to confirm who is authorized to execute contract documents or to execute bid submittals.

After discussion, it was decided that both David R. Staples, aka David Staples, and Tonya R. Staples would have the authority.

On motion duly made, seconded and unanimously carried, the following resolution was adopted.

RESOLVED: That David R. Staples, also known as David Staples, and/or Tonya R. Staples will be the authorized persons to execute all contract documents and bid submittals for all projects contracted for or bid upon by Staples Construction Co., Inc.

There being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

Tonya R. Staples
Secretary - Treasurer

Staples Construction Company,
Inc. A California Corporation
1501 Eastman Ave.
Ventura, CA 93003

Corporate Seal

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

THE FINAL PREMIUM IS PREDICATED ON THE FINAL CONTRACT AMOUNT

Bond No. 800191353

PAYMENT BOND

(Civil Code section 9550)
Division 00610

WHEREAS, the County of Monterey has awarded to Principal,

Staples Construction Company, Inc.
as Contractor, a contract for the following project:

PROJECT NO. JOC 2025, BID PACKAGE NO. NMC 2025-01; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material providers, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we Staples Construction Company, Inc.
as Principal, and Atlantic Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If Principal or any of Principal's heirs, executors, administrators, successors, assigns, or subcontractors (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the contract on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

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This bond inures to the benefit of any of the persons named in Civil Code section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHEREOF the above-bounden parties have executed this instrument under their several seals this 16th day of July, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) Staples Construction Company Inc.
Principal

By: _____

Title: David Staples, President

(Corporate Seal) Atlantic Specialty Insurance Company
Surety

By: _____
Shaunna Rozelle Ostrom

Title: Attorney-in-Fact

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 07/16/2025 before me, Melissa Ann Vaccaro, Notary Public
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MELISSA ANN VACCARO
COMM. #2401942
Notary Public-California
ORANGE COUNTY
My Comm. Expires May 12, 2026

Signature Melissa Ann Vaccaro (Seal)
Melissa Ann Vaccaro

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

intact INSURANCE

Bond No. 800191353

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Adrian Langrell, Arturo Ayala, Ben Stong, Benjamin Wolfe, Chelsea Liberatore, Daniel Huckabay, Frank Morones, Magdalena R. Wolfe, Michael D Stong, Shaunna Rozelle Ostrom**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

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IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 16th day of July, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

This Power of Attorney expires
January 31, 2030

_____
Kara L.B. Barrow, Secretary

Please direct bond verifications to surety@intactinsurance.com

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF STAPLES CONSTRUCTION CO., INC.

A special meeting of the Board of Directors of Staples Construction Co., Inc. was held in the conference room at 1501 Eastman Avenue, Ventura, CA on November 24, 2009.

The following directors were present:

David R. Staples, also known as David Staples
Tonya R. Staples

The following persons officiated at the meeting:
Chairman of the meeting: David R. Staples, aka David Staples
Secretary of the meeting: Tonya R. Staples

The chairman initiated a discussion regarding a corporate resolution to confirm who is authorized to execute contract documents or to execute bid submittals.

After discussion, it was decided that both David R. Staples, aka David Staples, and Tonya R. Staples would have the authority.

On motion duly made, seconded and unanimously carried, the following resolution was adopted.

> RESOLVED: That David R. Staples, also known as David Staples, and/or Tonya R. Staples will be the authorized persons to execute all contract documents and bid submittals for all projects contracted for or bid upon by Staples Construction Co., Inc.

There being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

Tonya R. Staples
Secretary - Treasurer

Staples Construction Company,
Inc. A California Corporation
1501 Eastman Ave.
Ventura, CA 93003

Corporate Seal

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 07/15/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Ariana Olvera
AssuredPartners of California Ins Services, LLC 196 S. Fir Street P.O. Box 1388 Ventura CA 93002-1388	PHONE (A/C, No, Ext): (805) 585-6120 FAX (A/C, No): (805) 585-6120 E-MAIL ADDRESS: ariana.olvera@assuredpartners.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Crum & Forster Specialty Ins Co	44520
INSURER B : Travelers Property Casualty Company of America	25674
INSURER C : Navigators Specialty Ins Co	36056
INSURER D : Hudson Specialty Ins Co	25054
INSURER E :	
INSURER F :	

INSURED

Staples Construction Co., Inc.
1501 Eastman Ave.
Ventura CA 93003

COVERAGES **CERTIFICATE NUMBER:** 25/26 GL/AU/WC/XS/XS **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC ☐ OTHER:	Y		GLO-118978	02/01/2025	02/01/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 50,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY	Y		810-B5099811	07/12/2025	07/12/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
C	☐ UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $			LA25EXCZ07GDWIC	02/01/2025	02/01/2026	EACH OCCURRENCE AGGREGATE	$ 5,000,000 $ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N ☐ If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		UB-B5023054	08/01/2025	08/01/2026	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
D	EXCESS LIABILITY (2ND LAYER)			HXS 1001401 05	02/01/2025	02/01/2026	EACH OCCURRENCE AGGREGATE	$5,000,000 $5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: JOB #2033 - Natividad Medical Center Joc 2025. GL/AU: Certificate Holder, its officers, agents, and employees are Additional Insured as respects to referenced project per forms (GL) CG20101219, CG20371219 and (AU) CAT4990216. Endorsements apply only as required by current written contract on file.

CERTIFICATE HOLDER

County of Monterey
1441 Constitution Blvd.
Salinas CA 93906

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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POLICY NUMBER: GLO-118978

COMMERCIAL GENERAL LIABILITY
CG 20 10 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any person or organization you have agreed in a written contract to add as an additional insured on your policy provided the written contract is signed prior to the "bodily injury", "property damage" or "personal and advertising injury"	Locations and operations covered under this policy when required by written contract signed prior to the "bodily injury", "property damage" or "personal and advertising injury"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

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1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

© Insurance Services Office, Inc., 2018

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

POLICY NUMBER: GLO-118978

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
As required by written contract signed prior to the "bodily injury" or "property damage".	As required by written contract signed prior to the "bodily injury" or "property damage" and if covered under this policy.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE – CONTRACTORS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

PROVISIONS

1. The following is added to Paragraph **c.** in **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   This includes any person or organization who you are required under a written contract or agreement, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

2. The following is added to Paragraph **B.5.**, **Other Insurance** of **SECTION IV – BUSINESS AUTO CONDITIONS**:

   Regardless of the provisions of paragraph **a.** and paragraph **d.** of this part **5. Other Insurance**, this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is a named insured when a written contract or agreement with you, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

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BID FORM
Division 00300

MONTEREY COUNTY BOARD OF SUPERVISORS

MAILING ADDRESS		P O BOX 1728 SALINAS, CA 93902
PHYSICAL ADDRESS		168 W. ALISAL ST 1st FLR SALINAS, CA 93901

PROJECT NO. JOB ORDER CONTRACTING

BID PACKAGE NO. NMC 2025-01

NAME OF BIDDER: Staples Construction Company Inc.

BUSINESS ADDRESS: 1501 Eastman Ave.

Ventura, CA 93003

TELEPHONE NUMBER: 805.658.8786

PLACE OF RESIDENCE: Ventura

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BID FORM

PROJECT NO. 2025, JOC
BID PACKAGE NO. NMC 2025-01

TO: MONTEREY COUNTY BOARD OF SUPERVISORS

1. Pursuant to and in compliance with your Notice to Bidders and the Contract Documents relating to the JOC NMC 2025-01 the undersigned Bidder, having become thoroughly familiar with the terms and conditions of the Contract Documents and with local conditions affecting the performance and the costs of the Work, hereby proposes and agrees to fully perform authorized Work within the time(s) stated and in strict accordance with the Contract Documents and each Job Order, including providing any and all labor and materials, and performing all the work required to construct and to complete said Work in accordance with the requirements of the Contract Documents, for the following Adjustment Factors, carried out to four (4) decimal places:

Adjustment Factors:

OSHPD 1 Normal Working Hours:** Work performed under OSHPD 1 conditions during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1690

OSHPD 1 Other than Normal Working Hours:** Work performed under OSHPD 1 conditions during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.2190

Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1690

Other than Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.2190

* Bids will be rejected, as non-responsive if the 'Other than Normal Working Hours' Adjustment Factors are not equal to or greater than the 'Normal Working Hours' Adjustment Factors.

** Bids will be rejected, as non-responsive if the 'OSHPD1' Adjustment Factors are not equal to or greater than the 'Other than OSHPD 1' Adjustment Factors.

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Award Criteria Figure Formula

Award Criteria Figure Formula percentages are for Bid purposes only. The County is not obligated to issue Job Orders in the stated percentages.

Line 1.	OSHPD 1 Normal Working Hours Adjustment Factor	1. 1.1690
Line 2.	Multiply Line 1 by 60% = (0.60 x Line 1)	2. 0.7014
Line 3.	OSHPD 1 Other than Normal Working Hours Adjustment Factor	3. 1.2190
Line 4.	Multiply Line 3 by 10% = (0.10 x Line 3)	4. 0.1219
Line 5.	Normal Working Hours Adjustment Factor	5. 1.1690
Line 6.	Multiply Line 5 by 20% = (0.20 x Line 5)	6. 0.2338
Line 7.	Other than Normal Working Hours Adjustment Factor	7. 1.2190
Line 8.	Multiply Line 7 by 10% = (0.10 x Line 7)	8. 0.1219
Line 9.	Add Lines: 2,4,6 and 8 (This is the Award Criteria Figure)	ACF = 1.1790

2. Determination of lowest bidder will be based upon the lowest Award Criteria Figure.

3. Specify lines 1 through 9 to four (4) decimal places. Use conventional rounding methodology (i.e., if the number in the 5th decimal place is 0-4, the number in the 4th decimal remains unchanged; if the number in the 5th decimal place is 5-9, the number in the 4th decimal is rounded upward).

4. The Other Than Normal Working Hours Adjustment Factors must be greater than or equal to the Normal Working Hours Adjustment Factors.

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5. The weighted multipliers above are for the purpose of calculating an Award Criteria Figure only. No assurances are made by the County that Work will be ordered under the Contract in a distribution consistent with the weighted percentages above. The Award Criteria Figure is only used for the purpose of determining the Bid.

6. When submitting Job Order Price Proposals related to specific Job Orders, the Bidder shall utilize one or more of the Adjustment Factors applicable to the Work being performed.

7. The Construction Task Catalog® is priced at a net value of 1.0000. The bid shall be an increase to" (e.g., 1.1000 or decrease e.g., 0.9500) to the Unit Prices listed in the Construction Task Catalog®. Bidders who submit separate Adjustment Factors for separate Unit Prices will be considered non-responsive and their bid will be rejected.

8. The undersigned has checked all above figures carefully and understands that the County will not be responsible for any errors and omissions on the part of the undersigned in making this bid.

9. It is understood that the County reserves the right to reject any and all bids or waive any informalities or irregularities in any bids or in the bidding.

10. This bid shall remain valid and will not be withdrawn by the undersigned bidder for a period of ninety (90) days from the date prescribed for opening of this bid without the written consent of the County.

11. Attached hereto are the following:
   a) Non-Collusion Affidavit;
   b) Workers' Compensation Certificate;
   c) Affidavit Concerning Employment of Undocumented Aliens
   d) Contractor's Certification of Good-Faith Effort to Employ Monterey Bay Area Residents;
   e) Statement of Bidder's Qualifications
   f) Written Plan to Recruit Monterey Bay Area Residents, when applicable;
   g) Required bidder's security in the amount of $25,000; and
   h) Acknowledgment of Addenda, if any.

12. If this bid is accepted by the County, then the undersigned shall, within ten (10) workdays after receipt of the Notice of Intent to Award letter, execute and deliver to the County (a) a contract in the form set forth in the contract documents on which this bid is based, (b) a payment bond for public works, as required by the contract documents, and (c) a performance bond, as similarly required, and (d) an Insurance Certificate, as similarly required. The undersigned will thereafter commence and complete the work within the time required by the contract documents.

13. Notice of acceptance and any requests for additional information shall be addressed to the undersigned at the following address:

PROJECT MANAGER: BRIAN GRIFFIN
NATIVIDAD MEDICAL CENTER - ENGINEERING OFFICES
1441 CONSTITUTION BLVD.
SALINAS, CA 93906

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TELEPHONE: (831) 755-4220

14. The names of all persons interested in the foregoing proposal as principals are as follows:

Staples Construction Company Inc.	
Name	Title
David Staples	President
Name	Title
Tonya R. Staples	Secretary/Treasurer
Name	Title

(**IMPORTANT NOTICE**: If the bidder or other interested person is a corporation, state the legal name of the corporation, and the names of the president, secretary, treasurer, and manager thereof; if a partnership, state the name of the firm and the names of all the individual partners composing the firm; if the bidder or other interested person is an individual, state the first and last names in full and give all fictitious names under which the individual does business.)

15. By execution of this bid, the undersigned bidder declares that he or she is a contractor licensed in accordance with the Contractors' State License Law, as follows:

Classification: B A
License number: 710039
Expiration date: 07/31/2027

16. The undersigned certifies that at the time of bid, Contractor has a staffed office located within the Monterey Bay Area (Monterey County, Santa Cruz County, or San Benito County).

Address, Phone and Fax of office that meets the above requirement:

Street: 344 Salinas St., Suite 105F
City, State, Zip: Salinas, CA 93901
Telephone: 805.833.0067 Fax: 831.758.8576

17. The undersigned certifies that Contractor meets the experience requirements outlined in the Information to Bidders Section 5 – A-B and within three calendar days of request by County shall submit evidence of compliance with the qualifications and a list of all work performed, both complete and incomplete, within the previous three years including names and phone numbers of the Public Agencies.

18. In the event the bidder to whom Notice of Intent to Award Contract is given fails or refuses to post the required bonds and insurance and return the executed copies of the agreement form within ten (10) working days from the date of receiving the Notice of Intent to Award letter Contract, the County may declare the bidder's security forfeited as damages and contract with the second lowest

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bidder.

19. Pursuant to section 7103.5(b) of the Public Contract Code, in submitting a bid to the County, the bidder offers and agrees that if the bid is accepted, it will assign to the County all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder.

Dated 7/7/2025

Bidder's Business Name Staples Construction Company Inc.

By

Principal Signature

Principal Name (Print) David Staples

Principal Title (Print) President

By

Principal Signature

Principal Name (Print) Tonya R. Staples

Principal Title (Print) Secretary/Treasurer

(Corporate Seal)

NOTE: ***If bidder is a corporation, the full legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the document shall bear the corporate seal; if bidder is a partnership, the full name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if bidder is an individual, his signature shall be placed above.***

20. Addenda bound with Contract Documents or issued during the time of bidding, are to be acknowledged below

Addendum No. 1 ***Date:*** July 1, 2025

Addendum No. 2 ***Date:*** July 1, 2025

Addendum No. 3 ***Date:*** July 1, 2025

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 1

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **SUBMISSION DEADLINE:** Revise deadline for receipt of sealed bids to:
11:00 A.M (PST) on Thursday, July 10, 2025 at the following address, at which time they will be publicly opened and read in the Board of Supervisors Conference Room 1032.
Office of the Clerk of the Board of Supervisors.

County of Monterey
168 W. Alisal St. 2nd Floor
Salinas, CA 93901
(Mailing Address: P.O. Box 1728, Salinas, CA 93902-1728)

2. **UPDATED DOCUMENTS: Technical Specification, 2024 Notice to Contractors, 2025 Project Manual**

Addendum 1 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 7 **, 2025**

Bidder's Business Name Staples Construction Company, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) David Staples

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 1

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 2

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **MANDATORY BIDDERS MEETING: A MANDATORY BIDDERS MEETING with NMC Project Manager is scheduled for Monday, June 23, 2025, at 10:00 am at NMCs Natividad Conference Room at 1441 Constitution Blvd., Salinas, CA 93906.**

2. **UPDATED DOCUMENTS: 2025 Notice to Contractors, 2025 Project Manual**

Addendum 2 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 7 **, 2025**

Bidder's Business Name Staples Construction Company Inc

By

Bidder's Signature _____

Bidder's Name (Print) David Staples

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 2

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 3

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **UPDATED DOCUMENTS: Prebid Meeting Sign-in Sheet**

Addendum 3 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 7, **2025**

Bidder's Business Name Staples Construction Company Inc.

By

Bidder's Signature _____

Bidder's Name (Print) David Staples

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 3

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STAPLES CONSTRUCTION

July 7, 2025

County of Monterey
168 W. Alisal St., 1st floor
Salinas, CA 93901

RE: GOOD FAITH EFFORT

Dear Sir or Madam,

In order to meet the 50% local workforce requirements of the County of Monterey, Staples Construction Company, Inc. will make a good faith effort to recruit Monterey Bay Area residents by the following actions:

1. Contact local recruitment sources, including local hiring halls.
2. Advertise for qualified Monterey Bay Area residents online, in trade papers, and local newspapers.
3. Identify qualified subcontractors whose workforce includes Monterey County, Santa Cruz County, or San Benito County Area residents.

We look forward to working with you,

Sincerely,

STAPLES CONSTRUCTION COMPANY, INC.

David Staples
President

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NON-COLLUSION DECLARATION
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID

(Public Contract Code Section 7106)
Division 00400

The undersigned declares:

I am the President of Staples Construction Company Inc.the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his Adjustment Factors or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on July 7, 2025 [date], at _____ Ventura [city], California [state].

Signature: _____

Print Name: David Staples

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CONTRACTOR'S CERTIFICATE AS TO WORKERS' COMPENSATION TO BE SUBMITTED WITH BID

(Labor Code section 1861)
Division 00410

Labor Code section 3700 provides, in relevant part:

> "Every employer except the state shall secure the payment of compensation in one or more of the following ways:
>
> (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.
>
> (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees."

I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: 7/7/2025

Bidder's Business Name: Staples Construction Company Inc.

By:

Print Name: David Staples

Print Title: President

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AFFIDAVIT CONCERNING EMPLOYMENT OF UNDOCUMENTED ALIENS TO BE SUBMITTED WITH BID

Division 00420

(Public Contract Code section 6101)

State of California)
)§
County of Ventura)

Public Contract Code section 6101 provides that,

No state agency or department, as defined in [Public Contract Code] Section 10335.7, that is subject to this code, shall award a public works or purchase contract to a bidder or contractor, nor shall a bidder or contractor be eligible to bid for or receive a public works or purchase contract, who has, in the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

David Staples, being first duly sworn, deposes and says (1) that he or she is the President of Staples Construction Company Inc. the party making the foregoing bid; and (2) that the party making the foregoing bid has not, within the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

Dated: 7/7/2025

Bidder's Business Name: Staples Construction Company Inc.

By: _____

Print Name: David Staples

Print Title: President

Subscribed and sworn to me this 7th day of July 2025.

Notary Public in and for the County of

Ventura

State of California

My Commission expires on: See Attached [Notary Stamp]

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Ventura

Subscribed and sworn to (or affirmed) before me on this 7th day of July, 2025, by David Staples,

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

LORENA DE LOS REYES
Notary Public - California
Ventura County
Commission # 2383145
My Comm. Expires Nov 15, 2025

(Seal)

Signature

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CONTRACTOR'S CERTIFICATION OF GOOD-FAITH EFFORT TO EMPLOY MONTEREY BAY AREA RESIDENTS

(TO BE SUBMITTED WITH BID)

(Monterey County Code section 5.08.120)
Division 00430

I CERTIFY THAT I am aware of the provision of Monterey County Code Section 5.08.120.

Monterey County Code Section 5.08.120 provides, in relevant part:

A. General Provisions. All County contracts for public works of improvement shall contain provisions pursuant to which the contractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area in sufficient numbers so that no less than fifty percent (50%) of the contractors total construction work force, on that particular contract, including any subcontractor work force (with exception of specialty subcontractor items identified in bid items) measured in labor work hours, is comprised of Monterey Bay Area residents.

B. Non-responsive Bidder Declaration: Enforcement. If any contractor submitting a bid for a contract for public works of improvement fails to abide by the good-faith local employment provisions of this Section, the contractor may be declared by the Board to be a non-responsive bidder for purposes of this Chapter. If the Board finds that a contractor to whom a contract for public works of improvement has been awarded has failed to comply with the good-faith employment provisions of this Section during the performance of the contract, the Board may disqualify the contractor from bidding on any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation of this Section by a contractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

C. Binding on Subcontractors. Every contractor entering into a contract for public works of improvement subject to the provisions of this Section shall include in each and every subcontract for work, laborers, or material suppliers relating to the project the requirement that the subcontractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area. If the Board finds that any subcontractor has failed during the performance of the subcontract to comply with this Section, the Board may disqualify said subcontractor from submitting or being listed in any bid for any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation by a subcontractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

I FURTHER CERTIFY AS FOLLOWS (check the box that applies):

☐ I CERTIFY that at least fifty percent (50%) of the total construction work force on the project, including any subcontractor work force, measured in labor work hours, will be comprised of qualified individuals who to the best of my knowledge are, and have been for at least one (1)

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year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area. Evidence that I will comply with this requirement is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

☒ I CERTIFY that I shall make a good-faith effort to employ qualified individuals who, to the best of my knowledge, are, and have been for at least one (1) year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area in sufficient numbers such that no less than fifty percent (50%) of the total construction work force on the project, including any subcontractor work force (with the exception of specialty subcontractor items identified in the bid items) measured in labor work hours, will be comprised of Monterey Bay Area residents. **Attached is my written plan to recruit Monterey Bay Area residents as part of the construction workforce.**

☐ I CERTIFY that I do not comply with and am unable to make a good-faith effort to comply with the good-faith local employment provisions set forth in Monterey County Code Section 5.08.120. Explanation to why I am not able to comply is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

I declare under penalty of perjury under the laws of the State of California that the foregoing certification is true and correct. Executed on (date) 7/7/2025
at (city/state) Ventura, CA.

Bidder's Business Name: Staples Construction Company Inc.

By: _____

Print Name: David Staples

Print Title: President

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STATEMENT OF BIDDER'S QUALIFICATIONS

1441 CONSTITUTION BLVD. SALINAS, CA 93906
PROJECT NO. JOC 2025
BID PACKAGE NO. NMC 2025-01, NMC 2025-02

Statement of Bidder's Qualifications below are included as part of the contract for the above project.

Bidder shall have a minimum of five (5) years of experience with acute care healthcare facility projects under OSHPD jurisdiction. In all instances in this form, "Qualifying Project" means a project which must meet all of the following:

1. ***Project work took place in the following medical facility environment:***
   a. ***Tenant Improvement or remodel in a licensed OSHPD facility (preferably Type 1; outpatient surgery clinic, Type 3 would also be acceptable) that remained operational during your construction project.***

2. ***Project work took place where infection prevention measures were required throughout construction following ICRA Class III or IV protocols.***

3. ***Project had a full-time Supervisor present in the above described settings during ALL construction activities – days, evenings, swing, weekends.***

4. ***Project was completed within the last five (5) years.***

5. ***Your firm's construction contract cost was at least $100,000 as awarded (excluding change orders).***

The Construction project will require work to be performed within an operating acute care healthcare facility, which presents unique challenges with regard to safety and coordination. The minimum experience requirements below are essential to the successful performance of the work for this project. Failure of any bidder to possess any of the mandatory minimum experience requirements (or substantial equivalent), or failure to provide documentation verifying them may result in the rejection of the Bidder's bid at the sole discretion of the Hospital.

The undersigned Bidder represents and warrants that the information provided in response to this Contractor Qualification form is true and accurate to the best of its knowledge, and that the undersigned intends that the Hospital rely thereon in awarding the subject Contract. Moreover, the undersigned Bidder understands that a material false statement or omission is sufficient cause for disqualifying its bid or cancellation of the Contract at the sole discretion of the Hospital.

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Dated: July 7, 2025

Signature of Bidder

David Staples, President
Title

Each Bidder shall provide the following information related to its three (3) most recently completed acute care healthcare facility projects under OSHPD jurisdiction. Names and references must be current and verifiable.

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PROJECT 1

Project Name: Registration Refresh

Location: 1441 Constitution Blvd., Salinas

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Demolition of a portion of the existing interior storefront and placement of double out-swing doors on hold opens tied into the existing fire alarm system. Remove a portion of the existing interior wall between offices to allow for open registration area and new check-ins desks.

Total Value of Original Construction Project (as bid):	$	435,978.25
Total Value of Change Orders:	$	52,015.11
Final Contract Price:	$	487,993.36
Original Scheduled Completion Date:		3/31/21
Time Extensions Granted (number of calendar days):		180 days
Actual Date of Completion:		9/17/21

Owner Contact (name and current phone number):

Brian Griffin 831.783.2605

Architect or Engineer Contact (name and current phone number):

Christopher Barlow 831.236.4380

Owner's Representative (name and current phone number):

Brian Griffin 831.783.2605

Inspector(s) on the Project (name and current phone number):

Unknown

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

PROJECT 2

Project Name: Infant Security, Building 500

Location: 1441 Constitution Blvd., Salinas, CA

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Installation of Guard RFID Infant Security Stem in Peds, MIU and L&D areas as specific by Kasavan Architects.

Total Value of Original Construction Project (as bid):	$	135,696.62
Total Value of Change Orders:	$	5,380.77
Final Contract Price:	$	141,077.39
Original Scheduled Completion Date:		3/31/22
Time Extensions Granted (number of calendar days):		68 Days
Actual Date of Completion:		6/6/22

Owner Contact (name and current phone number):

Brian Griffin 831.783.2605

Architect or Engineer Contact (name and current phone number):

Peter Kasavan 831.424.2232

Owner's Representative (name and current phone number):

Brian Griffin 831.783.2605

Inspector(s) on the Project (name and current phone number):

Unknown

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

PROJECT 3

Project Name: Rear Security Doors at Operating Room

Location: 1441 Constitution Blvd., Salinas, CA

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Installation of new operating room doors with power operators.

Total Value of Original Construction Project (as bid):	$	142,619.98
Total Value of Change Orders:	$	76,958.96
Final Contract Price:	$	219,578.94
Original Scheduled Completion Date:		2/19/24
Time Extensions Granted (number of calendar days):		475 Days
Actual Date of Completion:		5/30/25

Owner Contact (name and current phone number):

Brian Griffin 831.783.2605

Architect or Engineer Contact (name and current phone number):

Christopher Barlow 831.649.4642

Owner's Representative (name and current phone number):

Brian Griffin 831.783.2605

Inspector(s) on the Project (name and current phone number):

Unknown

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

BID BOND

Division 00440
(Public Contract Code Section 20129)

WHEREAS the Principal has submitted the accompanying bid dated July 10th, 2025, to the County of Monterey, for the following project: **PROJECT NO. JOC 2025, BID NO. NMC 2025-01** and

WHEREAS, Principal, as bidder, is required to furnish a bond executed by an admitted surety in connection with said bid, to secure the timely execution of the contract and delivery of bonds and insurance certificates, in the event that the contract is awarded to the Principal.

NOW, THEREFORE, we Staples Construction Company, Inc.

as Principal, and Atlantic Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Twenty five thousand Dollars ($ 25,000.00), of the Principal submitted to the said County for the above-described project, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal is awarded the contract and, within the time and manner required under the contract documents for the above-described project, after the prescribed forms are presented to him for signature, (1) enters into a written contract in the prescribed form, in accordance with the bid, (2) files such insurance certificates with the County as may be required by said contract documents, and (3) files a performance bond and a payment bond with the County, in conformity with said contract documents, then this obligation shall be null and void; otherwise, it shall remain in full force.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed there under, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 2nd day of July, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

Staples Construction Company Inc.
Principal

By: _____
David Staples

Title: President

(Corporate Seal)

Atlantic Specialty Insurance Company
Surety

By: _____
Shaunna Rozelle Ostrom

Title: Attorney-in-Fact

Attach: 1) A Copy of authorization for signature for Principal, and 2) An original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

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ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 07/02/2025 before me, Melissa Ann Vaccaro, Notary Public
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MELISSA ANN VACCARO
COMM. #2401942
Notary Public-California
ORANGE COUNTY
My Comm. Expires May 12, 2026

Signature _____ (Seal)
Melissa Ann Vaccaro

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

intact INSURANCE

Bond No. CSBA-31596

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Adrian Langrell, Arturo Ayala, Ben Stong, Benjamin Wolfe, Chelsea Liberatore, Daniel Huckabay, Frank Morones, Magdalena R. Wolfe, Michael D Stong, Shaunna Rozelle Ostrom**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

BY _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 2nd day of July, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

_____
Kara L.B. Barrow, Secretary

This Power of Attorney expires
January 31, 2030

Please direct bond verifications to surety@intactinsurance.com

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF STAPLES CONSTRUCTION CO., INC.

A special meeting of the Board of Directors of Staples Construction Co., Inc. was held in the conference room at 1501 Eastman Avenue, Ventura, CA on November 24, 2009.

The following directors were present:

David R. Staples, also known as David Staples
Tonya R. Staples

The following persons officiated at the meeting:
Chairman of the meeting: David R. Staples, aka David Staples
Secretary of the meeting: Tonya R. Staples

The chairman initiated a discussion regarding a corporate resolution to confirm who is authorized to execute contract documents or to execute bid submittals.

After discussion, it was decided that both David R. Staples, aka David Staples, and Tonya R. Staples would have the authority.

On motion duly made, seconded and unanimously carried, the following resolution was adopted.

> RESOLVED: That David R. Staples, also known as David Staples, and/or Tonya R. Staples will be the authorized persons to execute all contract documents and bid submittals for all projects contracted for or bid upon by Staples Construction Co., Inc.

There being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

Tonya R. Staples

Tonya R. Staples
Secretary - Treasurer

Staples Construction Company,
Inc. A California Corporation
1501 Eastman Ave.
Ventura, CA 93003

Corporate Seal

Introduced: 8/8/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 7 to the agreement (A-13074) with Forward Advantage Holdings, Inc. dba Forward Advantage for Imprivata OneSign single sign-on solution software services, extending the agreement an additional two (2) year period (March 23, 2025 through March 22, 2027) for a revised full agreement term of March 23, 2016 through March 22, 2027 and adding $115,606 for a revised total agreement amount not to exceed $924,242.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 7 to the agreement (A-13074) with Forward Advantage Holdings, Inc. dba Forward Advantage for Imprivata OneSign single sign-on solution software services, extending the agreement an additional two (2) year period (March 23, 2025 through March 22, 2027) for a revised full agreement term of March 23, 2016 through March 22, 2027 and adding $115,606 for a revised total agreement amount not to exceed $924,242.

SUMMARY/DISCUSSION:

Imprivata's OneSign system is a single sign-on (SSO) solution that the hospital's workforce utilizes to quickly and securely access clinical and administrative applications with one username and password. In the course of treating patients, personnel need to access multiple applications, including the MEDITECH electronic health record system. Prior to implementing Imprivata OneSign, the act of logging in/logging out of multiple systems throughout the workday had caused noticeable inefficiencies. The implementation of OneSign has resulted in an appreciable difference in time and staff resources.

This amendment extends OneSign software maintenance and support services for an additional two (2) years.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this renewal and amendment No. 7 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal

and amendment No. 7 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this renewal and amendment No. 7 is $115,606 has been included in the FY 2025-26 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6408.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The use of the OneSign system directly contributes to a more efficient and effective use of resources within the organization. This amendment provides NMC with the additional software support it needs to continue providing this service.

__ Economic Development
X Administration
__ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Ari Entin, Hospital Chief Information Officer, 783-2564
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Forward Advantage Holdings Inc. dba Forward Advantage Renewal and Amendment No. 7 (Imprivata)
Forward Advantage Holdings Inc. dba Forward Advantage Amendment 6 (Imprivata)
Forward Advantage Inc. Assignment and Assumption (Imprivata)
Forward Advantage Inc Amendment No. 5 (Imprivata)
Forward Advantage Inc Amendment No. 4 (Imprivata)
Forward Advantage Inc Renewal and Amendment No. 3 (Imprivata)
Forward Advantage Inc Amendment No. 2 (Imprivata)
Forward Advantage Inc Amendment No. 1 (Imprivata)
Forward Advantage Inc Agreement (Imprivata)

Attachments on file with the Clerk of the Board

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 7 to the agreement (A-13074) with Forward Advantage Holdings, Inc. dba Forward Advantage for Imprivata OneSign single sign-on solution software services, extending the agreement an additional two (2) year period (March 23, 2025 through March 22, 2027) for a revised full agreement term of March 23, 2016 through March 22, 2027 and adding $115,606 for a revised total agreement amount not to exceed $924,242.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 7 to the agreement (A-13074) with Forward Advantage Holdings, Inc. dba Forward Advantage for Imprivata OneSign single sign-on solution software services, extending the agreement an additional two (2) year period (March 23, 2025 through March 22, 2027) for a revised full agreement term of March 23, 2016 through March 22, 2027 and adding $115,606 for a revised total agreement amount not to exceed $924,242.

SUMMARY/DISCUSSION:

Imprivata's OneSign system is a single sign-on (SSO) solution that the hospital's workforce utilizes to quickly and securely access clinical and administrative applications with one username and password. In the course of treating patients, personnel need to access multiple applications, including the MEDITECH electronic health record system. Prior to implementing Imprivata OneSign, the act of logging in/logging out of multiple systems throughout the workday had caused noticeable inefficiencies. The implementation of OneSign has resulted in an appreciable difference in time and staff resources.

This amendment extends OneSign software maintenance and support services for an additional two (2) years.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this renewal and amendment No. 7 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 7 has also been reviewed and approved by NMC's Finance Committee and by

its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this renewal and amendment No. 7 is $115,606 has been included in the FY 2025-26 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6408.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The use of the OneSign system directly contributes to a more efficient and effective use of resources within the organization. This amendment provides NMC with the additional software support it needs to continue providing this service.

__ Economic Development
X Administration
__ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Ari Entin, Hospital Chief Information Officer, 783-2564
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Forward Advantage Holdings Inc. dba Forward Advantage Renewal and Amendment No. 7 (Imprivata)
Forward Advantage Holdings Inc. dba Forward Advantage Amendment 6 (Imprivata)
Forward Advantage Inc. Assignment and Assumption (Imprivata)
Forward Advantage Inc Amendment No. 5 (Imprivata)
Forward Advantage Inc Amendment No. 4 (Imprivata)
Forward Advantage Inc Renewal and Amendment No. 3 (Imprivata)
Forward Advantage Inc Amendment No. 2 (Imprivata)
Forward Advantage Inc Amendment No. 1 (Imprivata)
Forward Advantage Inc Agreement (Imprivata)

Attachments on file with the Clerk of the Board

Docusign Envelope ID: C488BAA5-712E-431E-A359-69DAF61FCF5B

RENEWAL AND AMENDMENT NO. 7
TO SERVICES AGREEMENT
BETWEEN FORWARD ADVANTAGE HOLDINGS INC DBA FORWARD ADVANTAGE
AND
COUNTY OF MONTEREY, ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Renewal and Amendment No. 7 to the Services Agreement ("Agreement") which was effective on March 23, 2016 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC") and Forward Advantage Holdings Inc dba Forward Advantage ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement with Forward Advantage, Inc. was executed to provide Imprivata OneSign single sign-on solution software services with a term March 23, 2016 through March 22, 2018 and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement on March 16, 2018 via Amendment No. 1 to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term (March 23, 2016 through March 22, 2021) to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567; and

WHEREAS, the Parties amended the Agreement on November 20, 2019 via Amendment No. 2 to allow for services to continue with additions to the Statement of Work attached hereto as "Exhibit A-2 per Amendment No. 2" and to add an additional $7,000 for a revised total Agreement amount not to exceed $386,567; and

WHEREAS, the Agreement expired on March 22, 2021; and

WHEREAS, the Parties renewed and amended the Agreement on the same or similar terms via Renewal and Amendment No. 3, beginning March 23, 2021 and to extend the term for an additional one (1) year period through March 22, 2022 for a revised full Agreement term (March 23, 2016 through March 22, 2022) to allow for services to continue with additions to the original Statement of Work attached hereto as "Exhibit A-3 as per Renewal and Amendment No. 3" and to add an additional $37,200 for a revised total Agreement amount not to exceed $423,767; and

WHEREAS, the Parties amended the Agreement on March 2, 2022 via Amendment No. 4 to extend the term for an additional three (3) year period through March 22, 2025 for a revised full Agreement term (March 23, 2016 through March 22, 2025) for the Imprivata OneSign single sign-on solution and to add Imprivata Identity Governance software services to the Statement of Work, all of which are attached hereto as "Exhibit A-4 per Amendment No. 4" and to add an additional $297,617 for a revised total Agreement amount not to exceed $721,384; and

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WHEREAS, the Parties amended the Agreement via Amendment No. 5 to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-5 per Amendment No. 5" with a $43,305 increase for a revised total Agreement amount not to exceed $764,689 with no changes to the term of Agreement (March 23, 2016 through March 22, 2025); and

WHEREAS, Forward Advantage, Inc. ("Assignor") assigned all of its right, title, and interest in and to, and all of its obligations under, the Agreement via an Assignment and Assumption to Forward Advantage Holdings d/b/a Forward Advantage ("Assignee"), and Assignee desires to accept such assignment and to assume such obligations effective as of April 25, 2023; and

WHEREAS, the Parties amended the Agreement via Amendment No. 6 to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-6: Revised Statement of Work/ Payment Provisions as per Amendment No. 6" with a $43,947 increase for a revised total Agreement amount not to exceed $808,636 with no changes to the term of Agreement (March 23, 2016 through March 22, 2025).

WHEREAS, the Agreement expired on March 22, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 7 retroactive to March 23, 2025 to extend the term for an additional two (2) year period through March 22, 2027 for a revised term of Agreement (March 23, 2016 through March 22, 2027) to allow for continued need of CONTRACTOR's services with revisions to the scope of work attached hereto as "Exhibit A-7: Revised Statement of Work/Payment Provisions as per Renewal and Amendment No. 7" with a $105,097 increase and to include a ten (10) percent overage allowance ($10,509) for a revised total Agreement amount of $924,242.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, Amendment No. 4, Amendment No. 5, and Amendment No. 6 incorporated herein by this reference, except as specifically set forth below.

1. Paragraph 2 titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A-7 as per Renewal and Amendment No. 7 attached hereto this Renewal and Amendment No. 7. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $924,242."

2. Paragraph 4 titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:
   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   ~~**Exhibit A: State of Work/Payment Provisions**~~
   ~~**Exhibit A-1: Additional Statement of Work/ Payment Provisions as per Amendment No. 1**~~
   ~~**Exhibit A-2: Additional Statement of Work/ Payment Provisions as per Amendment No. 2**~~
   ~~**Exhibit A-3: Additional Statement of Work/ Payment Provisions as per Renewal and Amendment No. 3**~~
   ~~**Exhibit A-4: Additional Statement of Work/ Payment Provisions as per Amendment No. 4**~~
   ~~**Exhibit A-5: Additional Statement of Work/ Payment Provisions as per Amendment No. 5**~~
   ~~**Exhibit A-6: Revised Statement of Work/ Payment Provisions as per Amendment No. 6**~~
   Exhibit A-7: Revised Statement of Work/Payment Provisions as per Renewal and Amendment No. 7

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Exhibit B: Business Associate Agreement (as revised and attached to Amendment No. 1)"

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Renewal and Amendment No. 7 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, Amendment No. 4, Amendment No. 5, and Amendment No. 6.

4. A copy of this Renewal and Amendment No. 7 shall be attached to the Agreement.

5. This Renewal and Amendment No. 7 shall be effective retroactively on March 23, 2025.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

Docusign Envelope ID: C488BAA5-712E-431E-A359-69DAF61FCF5B

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Renewal and Amendment No. 7 on the basis set forth in this document and have executed this Renewal and Amendment No. 7 on the day and year set forth herein.

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta
69B921D44C4341D...
Monterey County Deputy County Counsel

Date: 7/20/2025 | 3:02 PM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz
E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/22/2025 | 7:33 AM PDT

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
See instructions below

By: Signed by: Mike Knebel
4350E5F258148A...
(Signature of: Chair, President, or Vice-President)

Mike Knebel, CEO
Name and Title

Date: 6/25/2025 | 3:45 PM PDT

By: Signed by: Marty Menz
DB08549E6E7043D...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Marty Menz, Controller
Name and Title

Date: 6/25/2025 | 3:39 PM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Docusign Envelope ID: C488BAA5-712E-431E-A359-69DAF61FCF5B

Quotation

Forward Advantage
7269 N. First Street
Suite 102
Fresno CA 93720

Quotation # : 111
Date : 5/9/2025

Bill To
Natividad Medical Center
PO Box 81611
Salinas CA 93912
United States

Ship To
Natividad Medical Center
1441 Constitution Blvd
Salinas CA 93906
United States

Quantity	Item	Start Date	End Date	Rate	Amount
1	**SUPG30-RNW** OneSign Premium Support Maintenance 2500 SSO/AM, 2500 SSPW, 2500 VDA users	5/31/2025	6/30/2027	$105,097.00	$105,097.00

Subtotal	$105,097.00
Tax Total (0%)	$0.00
Total	$105,097.00

DocuSign Envelope ID: 0E907A73-9928-4873-8982-628EFB823AF9

AMENDMENT NO. 6
TO SERVICES AGREEMENT
BETWEEN FORWARD ADVANTAGE HOLDINGS INC DBA FORWARD ADVANTAGE
(formerly FORWARD ADVANTAGE, INC.) AND
COUNTY OF MONTEREY, ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Amendment No. 6 to the Services Agreement ("Agreement") which was effective on March 23, 2016 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC") and Forward Advantage Holdings Inc dba Forward Advantage ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement with Forward Advantage, Inc. was executed to provide Imprivata OneSign single sign-on solution software services with a term March 23, 2016 through March 22, 2018 and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement on March 16, 2018 via Amendment No. 1 to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term (March 23, 2016 through March 22, 2021) to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567; and

WHEREAS, the Parties amended the Agreement on November 20, 2019 via Amendment No. 2 to allow for services to continue with additions to the Statement of Work attached hereto as "Exhibit A-2 per Amendment No. 2" and to add an additional $7,000 for a revised total Agreement amount not to exceed $386,567; and

WHEREAS, the Agreement expired on March 22, 2021; and

WHEREAS, the Parties renewed and amended the Agreement on the same or similar terms via Renewal and Amendment No. 3, beginning March 23, 2021 and to extend the term for an additional one (1) year period through March 22, 2022 for a revised full Agreement term (March 23, 2016 through March 22, 2022) to allow for services to continue with additions to the original Statement of Work attached hereto as "Exhibit A-3 as per Renewal and Amendment No. 3" and to add an additional $37,200 for a revised total Agreement amount not to exceed $423,767; and

WHEREAS, the Parties amended the Agreement on March 2, 2022 via Amendment No. 4 to extend the term for an additional three (3) year period through March 22, 2025 for a revised full Agreement term (March 23, 2016 through March 22, 2025) for the Imprivata OneSign single sign-on solution and to add Imprivata Identity Governance software services to the Statement of Work, all of which are attached hereto as "Exhibit A-4 per Amendment No. 4" and to add an additional $297,617 for a revised total Agreement amount not to exceed $721,384; and

WHEREAS, the Parties amended the Agreement via Amendment No. 5 to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-5 per Amendment No. 5" with a $43,305 increase for a revised total Agreement amount not to exceed $764,689 with no changes to the term of Agreement (March 23, 2016 through March 22, 2025); and

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WHEREAS, Forward Advantage, Inc. ("Assignor") assigned all of its right, title, and interest in and to, and all of its obligations under, the Agreement via an Assignment and Assumption to Forward Advantage Holdings d/b/a Forward Advantage ("Assignee"), and Assignee desires to accept such assignment and to assume such obligations effective as of April 25, 2023; and

WHEREAS, the Parties currently wish to amend the Agreement via Amendment No. 6 to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-6: Revised Statement of Work/ Payment Provisions as per Amendment No. 6" with a $43,947 increase for a revised total Agreement amount not to exceed $808,636 with no changes to the term of Agreement (March 23, 2016 through March 22, 2025).

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, Amendment No. 4, and Amendment No. 5 incorporated herein by this reference, except as specifically set forth below.

1. Paragraph 2 titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A-4 as per Amendment No. 4, plus EXHIBIT A-6 as per Amendment No. 6 attached hereto this Amendment No. 6. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $808,636."

2. Paragraph 4 titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:
   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   ~~**Exhibit A: State of Work/Payment Provisions**~~
   ~~**Exhibit A-1: Additional Statement of Work/ Payment Provisions as per Amendment No. 1**~~
   ~~**Exhibit A-2: Additional Statement of Work/ Payment Provisions as per Amendment No. 2**~~
   ~~**Exhibit A-3: Additional Statement of Work/ Payment Provisions as per Amendment No. 3**~~
   Exhibit A-4: Additional Statement of Work/ Payment Provisions as per Amendment No. 4
   ~~**Exhibit A-5: Additional Statement of Work/ Payment Provisions as per Amendment No. 5**~~
   Exhibit A-6: Revised Statement of Work/ Payment Provisions as per Amendment No. 6
   Exhibit B: Business Associate Agreement (as revised and attached to Amendment No. 1)"

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 6 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, Amendment No. 4, and Amendment No. 5

4. A copy of this Amendment No. 6 shall be attached to the Agreement.

5. This Amendment No. 6 shall be effective when signed by both Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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ASSIGNMENT AND ASSUMPTION AGREEMENT

by and between

FORWARD ADVANTAGE, INC. ("Assignor")

and

FORWARD ADVANTAGE HOLDINGS, INC.
d/b/a FORWARD ADVANTAGE ("Assignee")

DocuSign Envelope ID: 50C875DE-C84F-4A9A-BAD4-22D7A9BEED83

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this **"Assignment"**) is made and entered as of April 25, 2023 (the **"Assignment Effective Date"**), by and between **FORWARD ADVANTAGE, INC.** (**"Assignor"**), and **FORWARD ADVANTAGE HOLDINGS, INC. d/b/a FORWARD ADVANTAGE** (**"Assignee"**).

RECITALS

A. COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"NMC"**), and Assignor entered into a Services Agreement for Imprivata product (a single, sign-on solution) used by NMC Physicians and Clinical staff, plus licenses, maintenance & support which was effective on March 23, 2016 (the **"Agreement"**).

B. Assignor now wishes to assign to Assignee all of its right, title, and interest in and to, and all of its obligations under, the Agreement to Assignee, and Assignee desires to accept such assignment and to assume such obligations.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained in this Assignment and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignment: Effective as of April 25, 2023 ("Assignment Effective Date"), Assignor hereby assigns to Assignee all of its right, title, interest in and to, and all of its terms, covenants, conditions and obligations under, the Agreement.

2. Assumption: Effective as of Assignment Effective Date, Assignee hereby accepts the assignment set forth in Section 1 above and expressly assumes and agrees to keep, perform and fulfill, from and after the Assignment Effective Date, all of the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by Assignor under the Agreement.

3. Successors and Assigns: This Assignment shall be binding on and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

4. Third Party Beneficiaries: Except as expressly provided in this Section, no person other than the parties hereto shall have any right, benefit, or obligation under this Assignment as a third-party beneficiary or otherwise.

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5. The Assignor, the Assignee, and the County agree that any payments made in good faith by or on behalf of the County to either the Assignor or the Assignee, after the Assignment Effective Date but prior to the execution of this Assignment and Assumption Agreement, shall be deemed to have been made to the party entitled to receive such payment pursuant to the Agreement and to this Assignment and Assumption Agreement, and the County shall have no further obligation to either Assignor or Assignee with respect to such payments previously made, notwithstanding other provisions of this Assignment and Assumption Agreement. The Assignor remains entitled to payment for services rendered prior to the Assignment Effective Date, to the extent such payment has not been made by or on behalf of the County on or before the date of the execution of this Assignment and Assumption Agreement, and the County shall remit any such payment to the Assignor to the extent owed, subject to the terms of the Agreement. This Assignment and Assumption Agreement shall not diminish the obligations of the Assignor with respect to performance owed prior to the Assignment Effective Date, nor adversely affect any claims the County may have or assert, now or in the future, with respect to such performance obligations of the Assignor.

6. Miscellaneous:

(i) Headings. The headings in this Assignment are for convenience of reference only and are not part of the substance hereof.

(ii) Benefit. This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and, if applicable, heirs and administrators.

(iii) Counterparts. This Assignment may be executed in multiple originals and by counterpart.

(iv) Governing Law. This Assignment shall be construed under the laws of the State of California.

(v) Amendments. No alteration, amendment or modification hereof shall be valid, unless executed by an instrument in writing by the parties hereto with the same formality as this Assignment.

(vi) Further Assignments. Nothing in this Assignment shall imply any right to make further assignments of the Agreement other than in accordance with the Agreement.

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IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the day and year first above written.

ASSIGNOR: FORWARD ADVANTAGE, INC.

By: DocuSigned by: Brian Boudreau D492AB451AAC4EE... Date: 8/9/2023 | 2:02 PM PDT

Brian Boudreau, AVP of Finance and Administration

Tax ID# [redacted]5022

ASSIGNEE: FORWARD ADVANTAGE HOLDINGS, INC. d/b/a FORWARD ADVANTAGE

By: DocuSigned by: Mike Knebel 44350F5F256146A... Date: 8/9/2023 | 2:07 PM PDT

Mike Knebel, Chief Executive Officer (CEO)

Tax ID# [redacted]2192

ACKNOWLEDGEMENT AND CONSENT

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER hereby consents to the foregoing assignment and assumption.

NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles R. Harris 4E1F837D204E481... Charles R. Harris, CEO

Deputy Purchasing Agent

Date: 8/11/2023 | 1:09 PM PDT

APPROVED AS TO LEGAL FORM

By: DocuSigned by: Stacy Saetta C05E61B995C44A9... Stacy Saetta

County of Monterey Deputy County Counsel

Date: 8/10/2023 | 1:05 PM PDT

DocuSign Envelope ID: 4E41D163-4D54-45F4-B189-43C1DB653862

AMENDMENT NO. 5
TO SERVICES AGREEMENT
BETWEEN FORWARD ADVANTAGE, INC. AND
COUNTY OF MONTEREY ("COUNTY"), FOR THE PROVISION OF SERVICES AT NATIVIDAD MEDICAL CENTER, A COUNTY-OWNED AND OPERATED ACUTE CARE FACILITY
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Amendment No. 5 to the Services Agreement ("Agreement") which was effective on March 23, 2016 is entered into by and between the County of Monterey ("County"), for the provision of services at Natividad Medical Center, a County-owned and operated acute care facility, and Forward Advantage, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement with Forward Advantage, Inc. was executed to provide Imprivata OneSign single sign-on solution software services with a term March 23, 2016 through March 22, 2018 and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement on March 16, 2018 via Amendment No. 1 to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term (March 23, 2016 through March 22, 2021) to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567; and

WHEREAS, the Parties amended the Agreement on November 20, 2019 via Amendment No. 2 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" and to add an additional $7,000 for a revised total Agreement amount not to exceed $386,567; and

WHEREAS, the Agreement expired on March 22, 2021; and

WHEREAS, the Parties renewed and amended the Agreement on the same or similar terms via Renewal and Amendment No. 3, beginning March 23, 2021 and to extend the term for an additional one (1) year period through March 22, 2022 for a revised full Agreement term (March 23, 2016 through March 22, 2022) to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-3 as per Renewal and Amendment No. 3" and to add an additional $37,200 for a revised total Agreement amount not to exceed $423,767; and

WHEREAS, the Parties amended the Agreement on March 22, 2022 via Amendment No. 4 to extend the term for an additional three (3) year period through March 22, 2025 for a revised full Agreement term (March 23, 2016 through March 22, 2025) for the Imprivata OneSign single sign-on solution and to add Imprivata Identity Governance software services to the scope of work, all of which are attached hereto as "Exhibit A-4 per Amendment No. 4" and to add an additional $297,617 for a revised total Agreement amount not to exceed $721,384; and

DocuSign Envelope ID: 4E41D163-4D54-45F4-B189-43C1DB653862

WHEREAS, the Parties currently wish to amend the Agreement via Amendment No. 5 to allow for services to continue with revisions to the original scope of work attached hereto as "Exhibit A-5 per Amendment No. 5" with a $43,305 increase for a revised total Agreement amount not to exceed $764,689.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Renewal and Amendment No 1, Amendment No. 2, and Renewal and Amendment No. 3 and Amendment No. 4 incorporated herein by this reference, except as specifically set forth below.

1. Paragraph 2 titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A-4 as per Amendment No. 4 plus EXHIBIT A-5 as per Amendment No. 5 attached hereto this Amendment No. 5. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $764,689."

2. Paragraph 4 titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:
   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   ~~**Exhibit A: State of Work/Payment Provisions**~~
   ~~**Exhibit A-1: Additional Statement of Work/ Payment Provisions as per Amendment No. 1**~~
   ~~**Exhibit A-2: Additional Statement of Work/ Payment Provisions as per Amendment No. 2**~~
   ~~**Exhibit A-3: Additional Statement of Work/ Payment Provisions as per Amendment No. 3**~~
   Exhibit A-4: Additional Statement of Work/ Payment Provisions as per Amendment No. 4
   Exhibit A-5: Additional Statement of Work/ Payment Provisions as per Amendment No. 5
   Exhibit B: Business Associate Agreement (as revised and attached to Amendment No. 1)"

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 5 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, and Amendment No. 4.

4. A copy of this Amendment No. 5 shall be attached to the Agreement.

5. This Amendment No. 5 shall be effective when signed by both Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 5 on the basis set forth in this document and have executed this Amendment No. 5 on the day and year set forth herein.

COUNTY OF MONTEREY ("COUNTY"), FOR THE PROVISION OF SERVICES AT NATIVIDAD MEDICAL CENTER, A COUNTY-OWNED AND OPERATED ACUTE CARE FACILITY

By: DocuSigned by: Charles R. Harris
Charles R. Harris, CEO

Date: 5/18/2023 | 6:52 PM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta
Monterey County Deputy County Counsel

Date: 5/18/2023 | 11:31 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Jennifer Forsyth
Monterey County Deputy Auditor/Controller

Date: 5/18/2023 | 6:47 PM PDT

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: Brian Boudreau
(Signature of: Chair, President, or Vice-President)

Brian Boudreau CFO
Name and Title

Date: 5/17/2023 | 3:55 PM PDT

By: DocuSigned by: Mike Knebel
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Mike Knebel CEO
Name and Title

Date: 5/17/2023 | 4:09 PM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Exhibit A-5: Additional Statement of Work/ Payment Provisions as per Amendment No. 5

Qty	Maintenance & Support	*Pricing
1	OneSign SSO Annual Premium Maintenance SSO/AM, SSPW & VDA 2,500 Users Maintenance Period: 05/31/23 to 05/30/24	$43,305.00
	Total*	$43,305.00

Price is in US Dollars.

**This is the projected pricing. If additional users are purchased before May 30, 2023, additional charges may apply.*

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor John M. Phillips to:

Agreement No.: A-13074; Amendment No.: 4
a. Authorize the Interim Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 4 to the agreement (A-13074) with Forward Advantage, Inc. for one (1) year of maintenance and support of the Imprivata product, a Single Sign-On (SSO) solution used by NMC Physicians and Clinical Staff and identity governance software, and the purchase of additional IT security modules with three (3) years of maintenance and support, thereby extending the agreement an additional three (3) year period (March 23, 2022 through March 22, 2025) for a revised full agreement term of March 23, 2016 through March 22, 2025, and adding $297,617 for a revised total agreement amount not to exceed $721,384.
b. Authorize the Interim Chief Executive Officer to sign up to two (2) renewals, of one (1) year each of the Single Sign-On (SSO) module service order, provided that the annual costs of each extension do not exceed ten percent (10%) above the cost of the SSO order in Amendment No. 4 ($87,252 total maximum increase) and with no change to the full agreement term, subject to County Counsel review and provided the terms of the agreement remain substantially the same.

PASSED AND ADOPTED on this 1st day of March 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 1, 2022.

Dated: March 8, 2022
File ID: A 22-060
Agenda Item No.: 35

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

AMENDMENT NO. 4
TO THE SERVICES AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND
FORWARD ADVANTAGE, INC.
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE AND IDENTITY GOVERNANCE SOFTWARE

This Amendment No. 4 to the County of Monterey, Natividad Medical Center (NMC) Agreement for Services is made and entered into, by and between the County of Monterey (hereinafter "COUNTY"), a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care hospital (hereinafter, "NMC"), and Forward Advantage, Inc. (hereinafter "CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Forward Advantage, Inc. had previously entered into an Agreement for Services (hereinafter "Agreement") on March 23, 2016 to provide Imprivata OneSign single sign-on solution software services to NMC with a two (2) year term and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement via Amendment No. 1 on March 16, 2018 to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term of March 23, 2016 through March 22, 2021 to allow for services to continue with revisions to the Statement of Work (Exhibit A of the original Agreement) attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567; and

WHEREAS, the Parties amended the Agreement on November 20, 2019 via Amendment No. 2 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" and to add an additional $7,000 thereby increasing the total Agreement amount to $386,567; and

WHEREAS, the Agreement expired on March 22, 2021; and

WHEREAS, the Parties renewed and amended the Agreement on the same or similar terms, beginning March 23, 2021 and to extend the term for an additional one (1) year period through March 22, 2022 for a revised full Agreement term of March 23, 2016 through March 22, 2022 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-3 as per Renewal and Amendment No. 3" and to increase the amount payable by $37,200 for a total Agreement amount of $ 423,767; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to extend the term for the Imprivata OneSign single sign-on solution for an additional three (3) year period through March 22, 2025, to extend the associated maintenance and support, and to add Imprivata Identity Governance software services to the scope of work, all of which are attached hereto as "Exhibit A-4 per Amendment No. 4", for an increase of $297,617 and a revised total Agreement amount not to exceed $721,384.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

The Agreement is hereby amended on the terms and conditions as set forth in the original Agreement and Amendment No. 1, Amendment No. 2, Renewal and Amendment 3, incorporated herein by this reference, except as specifically set forth below.

1. **Paragraph 2 "PAYMENTS BY NMC" Section shall be amended to the following:**
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A plus EXHIBIT A-1 as per Amendment No.1, Exhibit A-2 as per Amendment No. 2 and Exhibit A-3 as per Renewal and Amendment No. 3, and Exhibit A-4 attached hereto this Amendment No. 4, all subject to the limitations set forth in the Agreement. The total amount payable by COUNTY to CONTRACTOR shall not exceed the sum of $721,384."

2. **Paragraph 3.1 under "3. TERM OF AGREEMENT" shall be amended to the following:**
   "The term of this Agreement is from March 23, 2016 through March 22, 2025 unless sooner terminated pursuant to the terms of this Agreement".

3. **Paragraph 4, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:**
   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Statement of Work/Payment Provisions
   Exhibit A-1: Additional Statement of Work/Payment Provisions as per Amendment No. 1
   Exhibit A-2: Additional Statement of Work/ Payment Provisions as per Amendment No. 2
   Exhibit A-3: Additional Statement of Work/ Payment Provisions as per Renewal and Amendment No. 3
   Exhibit A-4: Additional Statement of Work/ Payment Provisions as per Amendment No. 4
   Exhibit B: Business Associate Agreement (as revised and attached to Amendment No. 1)"

4. If there is any conflict or inconsistency between the provisions of the original Agreement, Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, and Amendment No. 4, the provisions of this Amendment No. 4 shall govern.

5. This Amendment No. 4 is effective when signed by both parties.

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 4 on the basis set forth in this document and have executed this Amendment No. 4 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
for Charles R. Harris, Interim CEO

Date: 3-2-22

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: 2//10/2022

APPROVED AS TO FISCAL PROVISIONS

By: Burcu Mousa
Monterey County Chief Deputy Auditor-Controller

Date: 02/10/2022

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
Signature instructions below

By: _____
(Signature of Chair, President, or Vice-President)

Mike Knebel, Vice President
Name and Title

Date: 2-10-2022

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Brian Boudreau CFO
Name and Title

Date: 2-10-2022

***SIGNATURE INSTRUCTIONS**

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. (2 signatures required)

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. (2 signatures required)

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement. (1 signature required)

Exhibit A-4: Additional Scope of Services/ Payment Provisions

forward® advantage

Qty	Maintenance & Support	*Pricing
1	OneSign SSO Annual Premium Maintenance SSO/AM, SSPW & VDA 2,500 Users Maintenance Period: 05/31/22 to 05/30/23	$39,660.00
	Total*	$39,660.00

This is the projected pricing. If additional users are purchased before May 30, 2022, additional charges may apply.

Should Natividad opt to purchase additional users, the transaction will be via a written amendment signed by both parties.

7255 N. First Street, Suite 106
Fresno, CA 93720
Phone: 877.636.7927
Fax: 559.436.4217

Proposal: FAI-NMC-20211013-2600-IDG 36MOSUB

Proposal Date: October 13, 2021

Provided For:
Natividad Medical Center
Atten. Timothy Luttropp
IT Operations and Service Manager
1441 Constitution Blvd
Salinas, CA 93906

Representative:
Todd Ledyard, Director of Sales
877.636.7927 ext. 1704
todd.ledyard@ForwardAdvantage.com

QTY	SKU	Description	US $	US $
		License Fees		
2600	SUB-IMP-IDG-V	Imprivata Identity Governance - Premium (36 Month Subscription) (1)	$ 47.88	$ 124,488.00
			TOTAL License Fees	**$ 124,488.00**
		Implementation Fees		
12	PS-GENERAL-ONSITE-DAILY	Installation and Configuration Services Day - Onsite ## (1) (2)	$ 2,200.00	$ 26,400.00
200	PS-GENERAL-REMOTE-HRLY	Installation and Configuration Services – Remote, Hourly (Hourly rate per person) (1) (2)	$ 237.50	$ 47,500.00
			TOTAL Implementation Fees	$ 73,900.00
			SUBTOTAL QUOTE	**$ 198,388.00**
			Taxes	TBD
			Shipping	TBD
			TOTAL QUOTE	**$ 198,388.00**

Comments
(1) Above pricing is based upon standard SOW. Final pricing will be based on actual project scope and to be determined prior to final contract completion.
(2) Please reference project scope document for implementation and deployment details (document Imprivata_IdG_SOW_Nativadad_Medical_Center_v2).

**Travel and expenses are not included**

Prices are in U.S. Dollars and are valid for purchase prior to 03/31/2022.

F.O.B: Origin **Payment Terms:** Net 30 Days

Customer Accepted and Agreed

Name:

Title:

Phone:

Date:

Special Terms & Conditions:
Your use of the Imprivata Software, Hardware and/or Services set forth on this Quote is governed by the applicable terms set forth at imprivata.com/legal which are accepted by you by either (I) your execution of the Quote, (II) your issuance of a purchase order and/or (III) your installation of the Imprivata Software or Hardware. Provided, however, if the parties have mutually executed a written agreement for the purchase of such Software, Hardware and/or Services, in which case, the written agreement shall govern. All shipments are Incoterms 2010: FCA, Seller's Factory. Third party authentication devices are Non- Cancelable/Non-Returnable. You shall bear all costs of transportation, shipping, and insurance. Risk of loss and title (except for Software) passes to you upon delivery to the carrier.

by Forward Advantage

Forward Advantage, Inc.
7255 N. First Street, Suite 106
Fresno, CA 93720
Phone: 877.636.7927
Fax: 559.436.4217

Proposal: FAI-NMC-20211110-35USRPAM

Proposal Date: November 10, 2021

Provided For:
Natividad Medical Center
Attn: Timothy Luttropp
IT Operations and Service Manager
1441 Constitution Blvd
Salinas, California 93906

Representative:
Todd Ledyard, Director of Sales
877.636.7927
todd.ledyard@forwardadvantage.com

QTY	SKU	Description		
35	SUB-PAM-P	**PAM License Fees** License: Imprivata Privileged Access Management - Premium Support (includes 2 Enterprise Nodes) (36 Month Subscription)	$ 1,416.24	$ 49,568.40
			Total License Fees	**$ 49,568.40**
1	PS-PAM	**PAM Implementation, Deployment and Training Fees** Services Package - Base Privileged Access Management Installation ## (1)	$ 10,000.00	$ 10,000.00
			Total Service Fees	$ 10,000.00
			SUBTOTAL QUOTE	**$ 59,568.40**
			Sales Tax	**N/A**
			Shipping	**N/A**
			TOTAL QUOTE	**$ 59,568.40**

Travel and Expenses are not included

Comments

(1) PAM Administrator Training and assistance with workflow configurations.

Order Acceptance: By signing below customer accepts the terms of this proposal as an irrevocable purchase order.

Signature:

Name:

Title:

Date:

Standard Terms: Your use of the Imprivata Software, Hardware and/or Services set forth on this Quote is governed by the applicable terms setforth at imprivata.com/legal which are accepted by you by either (i) your execution of the Quote, (ii) your issuance of a purchase order and/or (iii) your installation of the Imprivata Software or Hardware. Provided, however, if the parties have mutually executed a written agreement for the purchase of such Software, Hardware and/ or Services, in which case, the written agreement shall govern. All shipments are Incoterms 2010: FCA, Seller's Factory. Third party authentication devices are Non - Cancelable/Non-Returnable. You shall bear all costs of transportation, shipping, and insurance. Risk of loss and title (except for Software) passes to you upon delivery to the carrier. All prices exclude shipping charges which are added upon invoicing, if applicable. Software and hardware will be invoiced upon shipment. Services will be invoiced upon receipt of customer purchase order.

Forward Advantage Professional Services
Statement of Work
Imprivata Identity Governance Solution (IdG)
Natividad Medical Center

December 30, 2021

PROJECT SUMMARY & SCOPE:

Natividad Medical Center ("Customer") would like to engage the Forward Advantage Professional Services team ("Consultant" or "Consultants") to provide professional services consulting with the design, configuration, build, and go-live of the Imprivata Identity Governance (IdG) solution. This includes the following elements:

- Solution Discovery and Initial Assessment
- Automated Identity Management into a single Active Directory environment
- Identity Governance Roles and Role Attributes
- Approval Workflows
- Automated Management of Email (O365)
- Integration with customers HR System (Kronos)
- Import of Identity True up Data
- Configuration of Governance, Reporting, and Compliance Solution
- Go-Live Assistance
- Final Project & System Documentation

Work Breakdown:

Work Breakdown	Resource	Onsite	Remote
Project Readiness Services			
Project Management			
Discovery Meeting	Project Manager	✓	
Create and Deliver Project Schedule	Project Manager		✓
Solution Design			
Design Meeting	Project Manager	✓	
Create and Deliver Scope Document	Project Manager		✓
Create and Deliver Functional Specification	Project Manager		✓
Configuration and Validation Services			
Project Management			
Communications, Resource and Issue Management	Project Manager		✓
Project Documentation and Status Reporting	Project Manager		✓
Implementation and Testing			
Configure Development Environment	Engineer		✓
Configure Test Environment	Engineer		✓
Configure Production Environment	Engineer		✓
Review & Configure IdG Role Database Environment	Engineer		✓
Configure Primary Source System Trigger Integration (Kronos/HR)	Engineer		✓
Configure Active Directory Automated Provisioning	Engineer		✓
Configure 11-25 Active Directory Attributes	Engineer		✓
Custom Active Directory Attributes	Engineer		✓
Configure Advanced Duplicate User Logic	Engineer		✓
Stage User Interface	Engineer		✓
Configure Role Based Provisioning with Single User Type	Engineer		✓
Configure 1 Custom E-Mail Template	Engineer		✓
Configure User Request Self Service	Engineer		✓
Configure Email (O365) Automated Provisioning	Engineer		✓
Configure 2 Application Approval Workflows	Engineer		✓

Work Breakdown:

Work Breakdown	Resource	Onsite	Remote
Configuration and Validation Services			
Implementation and Testing			
Review & Configure Identity Backload/True up	Engineer		✓
Configure Governance, Risk and Compliance (GRC)	Engineer		✓
Solution Review and Training on IdG Solution	Engineer	✓	✓
Deployment Services			
Go-Live Preparation and Go-Live Support			
Remote Go-Live Assistance	Engineer		✓
Project Completion and Optimization Services			
Project Management			
Final Project Documentation and Status Reporting	Project Manager		✓
Project Close Meeting and Handoff to Support	Project Manager		✓

Project Assumptions:

1. ~~The Services described in this SOW constitute Forward Advantage's entire obligation.~~ If the customer requests services in addition to the Services presented in this SOW, the performance of such additional services will require a modification to the details of services provided and an adjustment to the schedule and/or fees to be paid by the customer. The VP of Client Services or Solutions Architect will track any such requests via a change control process and arrange for such services to be rendered.

2. The customer will provide a Project Manager during the entire engagement. The customer's project manager is responsible for coordination of weekly project team meetings, scheduling of requirements gathering sessions with stakeholders and remote sites, scheduling of change control requests and facilitation of deployment option decisions.

3. Project Management for the overall project is the responsibility of the Customer. Forward Advantage's role in Project Management activities is listed in the Work Breakdown and is limited to the management of its own obligations and tasks.

4. The customer will provide a technical resource throughout the engagement.

5. The customer will provide the infrastructure (servers & software) along with the necessary software licensing for Imprivata IdG to complete the Professional Services.

6. The customer will provide users accounts to access the environment.

7. The customer will be required to provide access (including to the systems and application owners), to the identified systems for the Imprivata IdG environment.

8. The customer will be required to provide user credentials to each of the identified applications to Forward Advantage (and Imprivata) as necessary.

9. The customer will be required to provide remote access to Forward Advantage (and Imprivata) via web-based connections that are provided by Forward Advantage and Imprivata (Forward Advantage – Bomgar, and Imprivata – LogMeIn). In the unlikely event that an issue/defect is found that required Imprivata Engineering; it may be requested to have a VPN connection established between Imprivata and Natividad Medical Center.

10. The customer will implement Imprivata IdG in environments that comply with the current version of the Imprivata IdG Supported Configurations guide.

Project Roles (Forward Advantage & Imprivata):

Forward Advantage Technical Services Consultant	This role is responsible for configuring, training, testing and troubleshooting the Imprivata IdG Solution. The Consultant(s) will provide information as to best practices for Imprivata IdG within healthcare as well as approaches that have been successful in other deployments. The Consultant(s) is not responsible for the direct resolution of defects found within the Imprivata IdG Product or within other systems being utilized by Natividad Medical Center (e.g. Microsoft, Citrix, VMware, HIS System, etc.).
Imprivata Technical Support	This role is responsible for issues raised during the implementation process (as well as post Implementation). Tier 2 is responsible for review of issue and preparation of information (logs, video files, reproduction steps) in order that this issue can be prioritized with Tier 3 (Engineering).
Imprivata Engineering	This role (Tier 3) is responsible for the resolution of software defects identified and confirmed during the implementation process.

Changes to Statement of Work

The hours provided in this Statement of Work are based on the information we have received and are valid for sixty (60) days from its issuance date. If the Statement of Work has not been signed and paid for within sixty (60) days, the fee schedule may be re-evaluated by Forward Advantage.

Change Orders

Occasionally, after a project is underway, the scope of services required can be unexpectedly altered. Significant changes in, or additions to, this scope of work during the project that require additional time/services from Forward Advantage Implementation Services will require a Change Order to detail a revised Statement of Work. This will ensure that the changes to the Statement of Work are documented, and that both the Natividad Medical Center and Forward Advantage agree to the changes.

A Change Order reflects the new deliverables, activities, and budget for the remainder of the project. It amends the Agreement and Statement of Work from the date on which is it signed. Payment for all hours worked and expenses incurred up to the date of the Change Order will be due at this time as they were stated in the original Agreement and Scope of Work. Additional time detailed in the Change Order will be billed at the Forward Advantage fee structure in effect at the time of the issuance of the Change Order.

Acknowledgement and Approvals

The Services described in this SOW constitute Forward Advantage's entire obligation. Any agreement made verbally or via any other means outside of the contents of this Statement of Work is not binding and Forward Advantage is under no obligation to provide those Services or work product.

Upon completion of this SOW, no additional professional services are due to Natividad Medical Center under this SOW.

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-13074; Amendment No.: 3
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 3 to the agreement (A-13074) with Forward Advantage, Inc. for the Imprivata product, a single sign-on solution used by NMC Physicians and Clinical Staff, extending the agreement an additional one (1) year period (March 23, 2021 through March 22, 2022) for a revised full agreement term of March 23, 2016 through March 22, 2022, and adding $37,200 for a revised total agreement amount not to exceed $423,767.

PASSED AND ADOPTED on this 8th day of June 2021, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 8, 2021.

Dated: May 14, 2021
File ID: A 21-218
Agenda Item No.: 28

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

RENEWAL AND AMENDMENT NO. 3
TO THE SERVICES AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND
FORWARD ADVANTAGE, INC.
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Renewal and Amendment No. 3 to the County of Monterey, Natividad Medical Center (NMC) Agreement for Services is made and entered into, by and between the County of Monterey (hereinafter "COUNTY"), a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care hospital (hereinafter, "NMC"), and Forward Advantage, Inc. (hereinafter "CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Forward Advantage, Inc. had previously entered into an Agreement for Services (hereinafter "Agreement") on March 23, 2016 to provide Imprivata OneSign single sign-on solution software services to NMC with a two (2) year term and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement via Amendment No. 1 on March 16, 2018 to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term of March 23, 2016 through March 22, 2021 to allow for services to continue with revisions to the Statement of Work (Exhibit A of the original Agreement) attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567; and

WHEREAS, the Parties amended the Agreement on November 20, 2019 via Amendment No. 2 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" and to add an additional $7,000 thereby increasing the total Agreement amount to $386,567; and

WHEREAS, the Agreement expired on March 22, 2021; and

WHEREAS, the Parties wish to renew and amend the Agreement on the same or similar terms, beginning March 23, 2021 and to extend the term for an additional one (1) year period through March 22, 2022 for a revised full Agreement term of March 23, 2016 through March 22, 2022 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-3 as per Renewal and Amendment No. 3" and to increase the amount payable by $37,200 for a total Agreement amount of $ 423,767.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the original Agreement and Amendment No. 1 and Amendment No. 2 incorporated herein by this reference, except as specifically set forth below.

1. **"TERM OF AGREEMENT" Section shall be amended to the following:**
"The term of this Agreement is from March 23, 2016 through March 22, 2022 unless sooner terminated pursuant to the terms of this Agreement".

2. **"PAYMENTS BY NMC" Section shall be amended to the following:**
"COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A plus EXHIBIT A-1 as per Amendment No.1, Exhibit A-2 as per Amendment No. 2 and Exhibit A-3 as per Renewal and Amendment No. 3, subject to the limitations set forth in this Agreement, Amendment No. 1, Amendment No.2, and in this Renewal and Amendment No. 3. The total amount payable by COUNTY to CONTRACTOR shall not exceed the sum of $423,767."

3. **Section 4, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:**
"The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:
Exhibit A: Statement of Work/Payment Provisions
Exhibit A-1: Additional Statement of Work/Payment Provisions as per Amendment No. 1
Exhibit A-2: Additional Statement of Work/ Payment Provisions as per Amendment No. 2
Exhibit A-3: Additional Statement of Work/ Payment Provisions as per Renewal and Amendment No. 3
Exhibit B: Business Associate Agreement"

4. If there is any conflict or inconsistency between the provisions of Agreement, Amendment No. 1, Amendment No. 2, or this Renewal and Amendment No. 3, the provisions of this Renewal and Amendment No. 3 shall govern.

5. This Renewal and Amendment is effective retroactively on March 23, 2021.

To Agreement by and between
NATIVIDAD MEDICAL CENTER
and
FORWARD ADVANTAGE, INC.

EXHIBIT A-3
Additional Statement of Work/Payment Provisions as per Renewal and Amendment No. 3

Qty	Maintenance & Support	*Pricing
1	**OneSign SSO Annual Premium Maintenance SSO/AM, SSPW & VDA 2,500 Users Maintenance Period: 03/23/21 to 03/22/22**	$37,200
	Total*	$37,200

IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 3 as follows:

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____ for
Gary R. Gray, DO, CEO

Date: 6-14-21

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: 4/27/2021

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Chief Deputy Auditor-Controller

Date: 4/29/2021

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
Signature instructions below

By: _____
(Signature of Chair, President, or Vice-President)

Mike Knebel Vice President
Name and Title

Date: 4-16-21

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Brian Boudreau CFO
Name and Title

Date: 4-19-2021

***SIGNATURE INSTRUCTIONS**

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. (2 signatures required)

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. (2 signatures required)

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement. (1 signature required)

AMENDMENT NO. 2
TO SERVICES AGREEMENT
BETWEEN FORWARD ADVANTAGE, INC. AND
NATIVIDAD MEDICAL CENTER
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Amendment No. 2 to the Services Agreement ("Agreement") which was effective on March 23, 2016 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center (hereinafter "NMC"), and Forward Advantage, Inc. (hereinafter "CONTRACTOR"); (collectively, the County, NMC and CONTRACTOR are referred to as the "Parties"), with respect to the following:

RECITALS

WHEREAS, the Agreement was executed for Imprivata OneSign single sign-on solution software services with a term March 23, 2016 through March 22, 2018 and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term of March 23, 2016 through March 22, 2021 to allow for services to continue with revisions to the Statement of Work (Exhibit A of the original Agreement) attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567: and

WHEREAS, NMC and CONTRACTOR currently wish to amend the Agreement to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" with a $7000 increase for the added services for a total Agreement amount of $386,567

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No 1, incorporated herein by this reference, except as specifically set forth below.

1. Section 2, "PAYMENTS BY NMC" shall be amended to the following:
   "NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A, EXHIBIT A-1 as per Amendment No. 1 plus Exhibit A-2 as per Amendment No. 2 attached hereto this Amendment No. 2. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of $386,567."

2. Section 4 titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:
   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:
   Exhibit A: Statement of Work/Payment Provisions
   Exhibit A-1: Additional Statement of Work/Payment Provisions as per Amendment No. 1
   Exhibit A-2: Additional Statement of Work/Payment Provisions as per Amendment No. 2
   Exhibit B: Business Associate Agreement"

3. Except as provided herein, all remaining terms, conditions and provisions of the Original Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1.

4. A copy of this Amendment No. 2 shall be attached to the Original Agreement.

5. This Amendment No. 2 shall be effective when signed by both parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 2 on the basis set forth in this document and have executed this Amendment No. 2 on the day and year set forth herein.

NATIVIDAD MEDICAL CENTER

By: _____
Gary R. Gray, DO, CEO

Date: 11/2019

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: 11/18/19

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: 11/19/19

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
See instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

Mike Knebel, Vice President
Name and Title

Date: November 7, 2019

By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Brian Boudreau, Secretary
Name and Title

Date: November 7, 2019

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Exhibit A-2: Additional Statement of Work/Payment Provisions

Proposal: **FAI-NMC-20190612-G3**

forward® advantage

Provided For:

Natividad Medical Center
Attn:Timothy Thomas
1441 Constitution Blvd.
Salinas, CA 93906

7255 N. First Street, Suite 106
Fresno, CA 93720
Phone: 877.636.7927
Fax: 559.436.4217

Representative: Mike Levesque, im-one Inside Sales Rep.
877.636.7927 ext. 1238
mike.levesque@forwardadvantage.com

QTY	SKU	Description		
		Equipment & Services		
3	REPL-VIR-APP-G3	Imprivata Replacement Virtual Appliance G3	$ 1,350.00	$ 4,050.00
1	SVOSI	Implementation Services (Remote)	$ 2,000.00	$ 2,000.00
			TOTAL Equip./Svcs.	**$ 6,050.00**
			SUBTOTAL QUOTE	**$ 6,050.00**
			Sales Tax	**TBD**
			Shipping	**TBD**
			TOTAL QUOTE	**$ 6,050.00**

Comments

Prices are in U.S. Dollars

Sales tax (if applicable) and freight to be added.

F.O.B: Origins

Special Terms

This is a one-time cost for this software upgrade

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13074

Upon motion of Supervisor Phillips, seconded by Supervisor Adams and carried by those members present, the Board of Supervisors hereby:

Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 1 to the Agreement (A-13074) with Forward Advantage, Inc. for the Imprivata product, a single sign on solution used by NMC Physicians and Clinical Staff, extending the agreement an additional three (3) year period (March 23, 2018 through March 22, 2021) for a revised full agreement term of March 23, 2016 through March 22, 2021, and adding $111,600 for a revised total agreement amount not to exceed $379,567.

PASSED AND ADOPTED on this 13th day of March 2018, by the following vote, to wit:

AYES: Supervisors Alejo, Salinas, Phillips, Parker and Adams
NOES: None
ABSENT: None

I, Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting March 13, 2018.

Dated: April 13, 2018
File ID: A 18-052

Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN FORWARD ADVANTAGE, INC. AND
NATIVIDAD MEDICAL CENTER
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on March 23, 2016 is entered into by and between the County of Monterey (hereinafter "COUNTY"), on behalf of Natividad Medical Center (hereinafter "NMC"), and **Forward Advantage, Inc.** (hereinafter "CONTRACTOR"). Collectively, COUNTY, NMC and CONTRACTOR are referred to as the "Parties", with respect to the following:

RECITALS

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Forward Advantage, Inc. entered into an Agreement for Imprivata OneSign single sign-on solution software with a term March 23, 2016 through March 22, 2018 and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties currently wish to amend the Agreement to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term of March 23, 2016 through March 22, 2021 to allow for services to continue with revisions to the Statement of Work (Exhibit A of the original Agreement) attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the original Agreement and in Amendment No. 1 incorporated herein by this reference, except as specifically set forth below.

1. ***Section 2 titled, "PAYMENTS BY NMC" shall be amended by removing:***
   "NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of $267,967."

   and replacing it with:
   "NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A plus Exhibit A-1 as per Amendment No. 1 attached hereto this Amendment No. 1, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of $379,567."

2. ***The first sentence of Section 3.1 under Paragraph titled, "TERM OF AGREEMENT" shall be amended by removing:***
   "The term of this Agreement is from March 23, 2016 through March 22, 2018 unless sooner terminated pursuant to the terms of this Agreement."

   and replacing it with:
   "The term of this Agreement is from March 23, 2016 through March 22, 2021 unless sooner terminated pursuant to the terms of this Agreement."

3. ***Section 4 titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended by removing the following:***

   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Statement of Work/Payment Provisions
   Exhibit B: Business Associate Agreement"

   ***and replacing it with*:**

   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Statement of Work/Payment Provisions
   Exhibit A-1: Additional Statement of Work /Payment Provisions as per Amendment No. 1
   Exhibit B: Business Associate Agreement"

4. "EXHIBIT B (Business Associate Agreement)" attached to the Agreement shall be replaced with the revised "EXHIBIT B (Business Associate Agreement)" attached hereto this Amendment No. 1.

5. Except as provided herein, all remaining terms, conditions and provisions of the original Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the original Agreement and in Amendment No. 1.

6. A copy of this Amendment No. 1 shall be attached to the original Agreement.

7. This Amendment No. 1 shall be effective when signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

NATIVIDAD MEDICAL CENTER

By: _____
Gary R. Gray, DO, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

_____
Name

Date: Feb 13, 2018

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor-Controller

_____
Name

Date: 2-15-18

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
Signature instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

Mike Knebel Vice President
Name and Title

Date: 2-6-2018

By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Brian Boudreau, Secretary
Name and Title

Date: 2-6-2018

Signature Instructions:

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (2 signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (2 signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (1 signature required).

To Agreement by and between
NATIVIDAD MEDICAL CENTER
and
FORWARD ADVANTAGE, INC.

EXHIBIT A-1

Additional Statement of Work /Payment Provisions as per Amendment No. 1

3 Year Renewal for Maintenance and Support Services
(March 23, 2018 – March 22, 2021)

3	SUPG30	**Maintenance and Support** OneSign Annual Premium-V Maintenance * (3 yrs.)	$37,200	$111,600.00
Comments (1) Invoicing will occur as follows: Software licensing, Maintenance, equipment and devices will be invoiced upon execution of Agreement. Implementation will be invoiced when delivered. (2) Test Environment Virtual Appliance is a full-powered appliance for testing of new versions of the OneSign software.			**TOTAL Maintenance Fees**	$111,600.00
			SUBTOTAL	$111,600.00
Pricing are in U.S. Dollars			**Sales Tax** **Shipping**	$ -
			TOTAL	$111,600.00

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective February 6, 2018 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Forward Advantage, Inc. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Forward Advantage, Inc.
Attn: Privacy Officer
7255 N. First Street, Suite 106
Fresno, CA 93720
Phone: 559-447-1777
Fax: 559-436-4217

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: _____	By: _____
Print Name Mike Knebel	Print Name: Gary R. Gray
Print Title Vice President	Print Title: Chief Executive Officer
Date: February 5, 2018	Date: 3/16/18

Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13074

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

a. Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement with Forward Advantage, for purchase of the Imprivata product, a single sign on software solution used by NMC Physicians and Clinical Staff, plus implementation, licenses, and maintenance and support, in an amount not to exceed $267,967 for the period of March 23, 2016 through March 22, 2018; and
b. Authorized the Deputy Purchasing Agent for NMC to execute up to three (3) future Amendments to the Agreement, which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the Agreement per each amendment.

PASSED AND ADOPTED on this 22nd day of March 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, and Parker
NOES: None
ABSENT: Supervisor Potter

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on March 22, 2016.

Dated: March 24, 2016
File ID: A 16-064

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

Natividad MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR SERVICES
(MORE THAN $100,000)

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter, "the County"), on behalf of Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County, and Forward Advantage (hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED.** NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows: provide software for a secured single sign-on solution for NMC physicians and clinical staff to access multiple applications.

2. **PAYMENTS BY NMC.** NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A,** subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of **$267,967.00.**

3. **TERM OF AGREEMENT.**

   3.1. The term of this Agreement is from **March 23, 2016 through March 22, 2018** unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.

   3.2. NMC reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Statement of Work/Payment Provisions
   Exhibit B: Business Associate Agreement

5. **PERFORMANCE STANDARDS.**

   5.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.

5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. NMC does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (NMC) and the CONTRACTOR.

6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with any applicable County policies.

6.4. Invoice amounts shall be billed directly to the ordering department.

6.5. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. NMC shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. TERMINATION.

7.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of

any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.3 NMC's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for NMC's purchase of the indicated quantity of services, then NMC may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

8.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any and all claims, liability and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.2 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by NMC's Contracts/Purchasing Director.

9.3 Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

9.4 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three

years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance.** The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.1 Confidentiality. CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly

transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.

The Business Associate Agreement (Exhibit B) signed June 4, 2015 by CONTRACTOR is fully incorporated into this Agreement.

10.2 NMC Records. When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.

10.3 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 Access to and Audit of Records. NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 Royalties and Inventions. NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.

11. **NON-DISCRIMINATION**. During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and Contractor's contract administrators at the addresses listed below

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Forward Advantage Attn: Mike Knebel 7255 N. First Street, Suite 106 Fresno CA 93720 Email: mike.knebel@forwardadvantage.com

15. MISCELLANEOUS PROVISIONS.

15.1 Conflict of Interest: CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.2 Amendment: This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.

15.3 Waiver: Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.4 Contractor: The term "Contractor" as used in this Agreement includes Contractor's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

15.5 Disputes: CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.6 Assignment and Subcontracting: The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.7 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.8 Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.9 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 Time is of the Essence: Time is of the essence in each and all of the provisions of this Agreement

15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12 Non-exclusive Agreement: This Agreement is non-exclusive and each of NMC and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.

15.13 Construction of Agreement: NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 Integration: This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either

written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.

15.16 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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Signature page to follow

NATIVIDAD MEDICAL CENTER

By: _____
Gary R. Gray, DO, Chief Executive Officer

Date: 3/29/16

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: March 9, 2016

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: 3/9/16

CONTRACTOR

Forward Advantage
Contractor's Business Name*** (see instructions)

_____
Signature of Chair, President, or Vice-President

Mike Knebel, V.P. of Sales
Name and Title

Date: 2-22-2016

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Brian Boudreau, Secretary
Name and Title

Date: 2-22-2016

***__Instructions:__

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Forward Advantage Implementation Services
Statement of Work
Natividad Medical Center

February 14, 2016

Introduction:
Forward Advantage Implementation Services will provide the following services, delivered both onsite and remotely, to ensure a successful implementation of OneSign at the Natividad Medical Center. Below is a summary of the activities that will be provided during the implementation as well as the estimated timeline. At the end of this document is a detailed description of the services provided and estimated duration for delivery of these services.

PHASE 1: DISCOVERY

Forward Advantage and the Natividad Medical Center will validate Natividad Medical Centers network environment in context with Imprivata OneSign requirements. Items for discussion during this phase revolve around the customer enterprise. Application coverage, network topology, security policies, and desktop deployment will be discussed and related to the project plan.

Activities:

- Validate scope of services
- Review implementation pre-trip checklist (Details of Customer Infrastructure)
  - IP Address, Netmask, Gateway, DNS (Domain Name System), FQDN (Fully Qualified Domain Name) for Active Directory, Server Operating Systems, etc.
- Review SSO Application Sign Off Form(s)
- Review SSO Agent Deployment Document
- Review & Customize Project Plan
- Schedule onsite implementation

PHASE 2: INSTALLATION & CONFIGURATION OF ONESIGN:

This phase consists of four (4) primary tasks: Installation, OneSign Configuration, Training and Application Enablement.

Activities:

- Appliance setup & configuration
- Creating & Managing Security Policies within OneSign
  - OneSign Policies Control Authentication, Challenges, Password Self Service and Client Workflow Options
- Manage Users & OneSign Domains within OneSign
  - OneSign Domains configure connection to Active Directory as well as enabling an automated link to User Policies
- Application enablement, both Desktop and Citrix Environments
- Initial/Environment Testing
- Administrator Training
- Help Desk Training

PHASE 3: TESTING:
Technical Services best practices call for a period of testing within the IT/IS Department to simulate the workstations as well as application access of the end-users in the initial department to be deployed. The testing process will include the authentication methods to be utilized by the end-users as well as application access and specific workflows that are to be achieved as defined in the Project Scope/Assumptions.

Upon completion of this internal testing (unit testing), the deployment proceeds to the initial department within the Natividad Medical Center.

Activities:

- Test end-user workstations
- Test end-user enrollment process
- Test end-user application workflows (Login and Change Password Processes)
- Test end-user initial authentication
- Test end-user unlocking of a workstation
- Test authentication methods to Login, Unlock, and Lock Workstations (including timers)
- Test Password Self Service Reset
- Test Reporting/Audit Records

PHASE 4: DEPLOYMENT:
The Deployment phase begins once the implementation team agrees that the Testing Phase is complete and the solution is ready for the initial departments and/or enterprise-wide deployment. Best practices call for a one (1) week initial rollout with approximately 40-60 users ("initial group") after the joint implementation teams feels confident the project scope has been fulfilled. The intention of the initial group rollout is to certify that the OneSign configuration is ready for an enterprise wide deployment. Forward Advantage will assist with the planning and execution to enable this initial group of users.

Activities:

- Determine success criteria
- Determine user community
- Review client software deployment plan
- Review & develop end-user communication plan
- Review & develop end-user training documents
- Train and enable end-users
- Review & develop end-user support plan
- Monitor end-user activity for issues (Technical, Training, Other)
- Collect end-user feedback

Note:
Forward Advantage can optionally assist customer with deployment, however it is not part of the Standard Implementation Services or this Statement of Work.

Project Assumptions:

1. The Services described in this SOW constitute Forward Advantage's entire obligation. If the Natividad Medical Center requests services in addition to the Services presented in this SOW, the performance of such additional services will require an amendment to the contract signed by both parties to modify the details of Services Provided and an adjustment to the schedule and/or fees to be paid by the Natividad Medical Center. The VP of Client Services or lead System Engineer will track any such requests via a change control process and arrange for such services to be rendered.
2. Natividad Medical Center will provide a Project Manager during the course of the entire engagement. The Natividad Medical Center Project Manager is responsible for coordination of weekly project team meetings, scheduling of requirements gathering sessions with stakeholders and remote sites, scheduling of change control requests and facilitation of deployment option decisions.
3. Natividad Medical Center will provide a Technical resource throughout the engagement.
4. Natividad Medical Center will identify the staff that it deems to fit the Imprivata OneSign Implementation Roles & Responsibilities found in pages 5 and 6.
5. Natividad Medical Center will be required to provide access (including to the application owners), to the identified applications for SSO testing and enablement.
6. Natividad Medical Center will be required to provide user credentials to each of the identified applications to Forward Advantage (and Imprivata) as necessary.
7. Natividad Medical Center will be required to provide remote access to Forward Advantage (and Imprivata) via web based connections that are provided by Forward Advantage and Imprivata (Forward Advantage – Bomgar, and Imprivata – Logmein). In the unlikely event that an issue/defect is found that required Imprivata Engineering; it may be requested to have a VPN connection established between Imprivata and Natividad Medical Center.
8. Natividad Medical Center will need to provide an internal FTP Server in the event that Natividad Medical Center intends to automate the OneSign Archive Process and/or its Standard Reporting Process.
9. Natividad Medical Center will have purchased the appropriate number of Imprivata OneSign VDA licenses to correspond with their VMware View Virtual Desktops (also need to include OneSign Web API license).

Project Roles (Forward Advantage & Imprivata):

Forward Advantage Technical Services Consultant	This role is responsible for configuring, training, testing and troubleshooting the Imprivata OneSign Solution. The Technical Services Consultant will provide information as to best practices for OneSign within MEDITECH facilities as well as approaches that have been successful in other deployments in conjunction with HIS Systems and Clinical Modules. The Technical Services Consultant is not responsible for the direct resolution of defects found within the Imprivata OneSign Product or within other systems being utilized by Natividad Medical Center (e.g. Microsoft, Citrix, VMware, HIS System, etc.).
Imprivata Technical Support	This role is responsible for issues raised during the implementation process (as well as post Implementation). Tier 2 is responsible for review of issue and preparation of information (logs, video files, reproduction steps) in order that this issue can be prioritized with Tier 3 (Engineering).
Imprivata Engineering	This role (Tier 3) is responsible for the resolution of software defects identified and confirmed during the implementation process.

Imprivata OneSign Implementation Roles & Responsibilities (*Natividad Medical Center*):

There are eight roles typically involved in an OneSign product implementation. In most cases, an individual will have more than one role assigned. The table below describes each role by responsibilities and skills and can be used to help you prepare for your OneSign deployment.

Role	Responsibilities	Skills
Project Leader	The Project Leader will be responsible for coordinating the timing of the OneSign implementation and prepare the project team for their roles and responsibilities in the implementation. The project leader is also typically responsible for handling all end-user communication and change management issues.	The Project Leader will have experience in managing software implementations and will have strong project management and coordination skills. The project leader has rolled out other software solutions within the organization and knows who to involve from an internal resource perspective.
OneSign Administrator	The OneSign Administrator will be responsible for administering the OneSign solution on a day to day basis. This individual will available for the entire OneSign implementation and will become the onsite expert in the solution. The Administrator will help import the end users into OneSign, set-up security policies, learn to enable applications, and create reports.	The OneSign Administrator must be able to pick up new technology in a short amount of time. They will have a thorough understanding of how their organization wants to roll out security policies and which are the key applications to be enabled for single sign-on.
Desktop Administrator	The Imprivata OneSign agent will need to be deployed to every desktop. Most organizations use a push technology such as AD group policy or SMS to deploy the agent. The Desktop Administrator will be responsible for determining the appropriate strategy for rolling out the Imprivata Agent and will pull together a time line for Agent rollout.	The Desktop Administrator will have knowledge of different software deployment methods and will have the ability to use these technologies to rollout and support the Imprivata Agent initial rollout as well as ongoing software upgrades.
Application Specialist	As part of the initial deployment, the Imprivata Consultant will enable a subset of your applications for single sign-on. The Consultant will need a test account in order to access all of the relevant screens within your key applications. Often the Consultant will work directly with the Application Specialist for each application in order to setup and test all of the relevant screens.	The Application Specialist will have access to test accounts for each application that will be enabled for single sign-on. This includes the ability to test the Change Password functionality within the application. The Application Specialist will have an understanding of all of the screens that are accessed by end-users and will help the Imprivata Consultant in the testing post single sign-on enablement.

Role	Responsibilities	Skills
Directory Administrator	Limited access may be needed to the Directory Administrator in the beginning stages of the OneSign implementation. The Directory Administrator will know which Directory's will be imported into the OneSign appliance and will work with the OneSign Administrator to determine which groups/users should be enabled for Single Sign-On. If the organization is going to be implementing Imprivata's Self-Service Password Reset option, the Directory Administrator logon will be required as well as a SSL certificate on the Directory.	Ability to access Directory store and work with OneSign Administrator to import users and setup synchronization rules for ongoing update and maintenance to OneSign.
Network Administrator	During day one of the OneSign implementation, the Imprivata Consultant will need to work with your Network Administrator to setup the Appliance Pair on your network. The two appliances on the network will need three IP addresses (two static and one virtual). The Network Administrator will be responsible for the DNS entries and assistance in setting up the Appliances in your data center. The Network Administrator will also be responsible for daily backup and recovery process.	Ability to obtain required IP addresses for the OneSign Appliance Pair and access to the data center for setup and testing. The Network Administrator will also need to setup and test OneSign backup and recovery process.
Help Desk	During the initial implementation, the Imprivata Consultant will spend about 2 hours with the key representatives from the Help Desk training them on the key areas of support for OneSign as well as how to access Imprivata resources for ongoing assistance. The Help Desk representatives will be responsible for taking all end-user calls related to questions or issues with OneSign. They will be responsible for tier 1 technical troubleshooting and will contact Imprivata Technical Support for Tier 2 support.	The Help Desk will need to be able to troubleshoot issues and questions related to Agent installation and upgrade, ability to perform initial triage on issues related to application enablement and will be able to do some diagnosis on whether the issue is environmental or product related. They will also know how to access Imprivata Technical Support for additional technical assistance.
Power End-User	End-user that is typically included as part of an implementation in the early phases of the deployment. This end-user will be responsible for testing access to many different applications and will provide feedback to the project team on what is working and what needs improvement. Their feedback is critical prior to the large scale deployment.	Computer savvy and knowledgeable of many different applications accessed by end-users in the organization. They are a strong communicator and interested in being involved in the OneSign implementation.

Approach

Based on the Natividad Medical Center requirements, Forward Advantage will provide the following services (delivered both onsite and remotely) to ensure a successful implementation of OneSign at the Natividad Medical Center. Below is a list of the typical activities that are included in the implementation as well as the estimated timeline.

Project Management/Discovery/Upgrade			
Activity	**Description**	**Timeline**	**Hours**
Implementation Kick-off & Project Planning	A conference call between IT staff, the Project Manager, and the Technical Services Consultant to ensure project readiness, define project roles, set expectations, and articulate project definition. Once onsite the project team will construct a project plan that incorporates major deliverables and milestones.	2 Weeks Prior to Appliance Set-up & Configuration	
Project status updates	Periodic 60-minute status meetings to be schedule by the Technical Services Consultant and the Customer Project Manager.	Weekly	

Appliance Setup & Configuration

Activity	Description	Timeline	Hours
Appliance Configuration Review & Backup Configuration	The Technical Services Consultant will work with the customer's Technical Resources to review the OneSign Appliance User Interface as well as changes in the environment from v3.x to v4.5. Additionally, the Technical Services Consultant will review and test the OneSign Backup Configuration.	Week 1	4

End-User Enablement Services

Activity	Description	Timeline	Hours
Managing OneSign domains and user accounts	The Technical Services Consultant will work with the customer's Technical Resources to identify directories to be imported, review the Imprivata pre-trip checklist, import user accounts, review Imprivata roles and assign users to the roles, and set up the synchronization process.	Week 1	2
Creating and Managing Security Policies	The Technical Services Consultant will work with customer's OneSign Administrator to implement within OneSign. Create security policies; automate user account associations to security policies and enablement of users. Security policies define authentication options, client agent behavior (for walk away security) as well as password self-service functionality that are tied to users within the customer's environment.	Week 1-4	4
Reporting & Events	The Technical Services Consultant will demonstrate the reporting and event notification functionality within the OneSign Administrator user interface. The Consultant will create one or more sample reports that are relevant for the customer as well as two (2) sample event notifications. (This does not include setting up of a FTP Server at the Customer Site for automating report processes.)	Week 1	2
Disaster Recovery Planning	The Technical Services Consultant will work with the OneSign Administrator to review the set-up and configuration of the Standby Appliance(s).	Week 1	2

End-User Enablement Services			
Activity	**Description**	**Timeline**	**Hours**
Review Agent Types & Deployment Options	The Technical Services Consultant will review the different OneSign Agent Types; discuss the methods the customer uses to deploy software and best practices for rolling out OneSign within their environment. If using a push technology, the Consultant will provide best practices on how to use .msi files in a push package.	Weeks 1-4	4
Configuration for VMware View Virtual Desktops	The Technical Services Consultant will work with Natividad Medical Center infrastructure team to ensure connectivity between OneSign Appliances as well as OneSign Appliances and the VMware View Virtual Desktops (running MEDITECH and other Applications). Can include VMware View Agent/Zero Firmware and Desktop Pools. **Note: Some components of VMware View testing will require VDA Licensing.**	Weeks 2-4	16
OneSign Authentication Methods	The Technical Services Consultant will discuss the customer's authentication requirements, review best practices for implementation with OneSign, discuss how this impacts the end-user workflow, review end-user documentation, and train the network administrator on setup and enrollment.	Week 1-3	2
SSPW Management	The Technical Services Consultant will review how to setup the security policy, enable and configure the SSL certificate on their directory, setup SSPW, and review and customize end-user documentation.	Weeks 1-2	2
Writing Procedures for Extension Objects	The Technical Services Consultant will work with the OneSign Administrator and Network Administrator to review requirements for Extension Objects. The Technical Services Consultant will demonstrate the process and discuss the customer requirements for extending the OneSign Product. *(There may be the need for additional Implementation Services if Extensions are required for the deployment.)*	Weeks 2-3	2

End-User Enablement Services (Continued)			
Activity	**Description**	**Timeline**	**Hours**
Application Enablement	The Technical Services Consultant will work with the OneSign Administrator and each of the Application Specialists to identify all application screens required to successfully enabling the applications for single sign on. During this process the Technical Services Consultant will work with the customer to enable the key applications required for a successful deployment. • *MEDITECH* • *JLG* • *Nuance Dragon* • *Up-to-Date* • *CPACS* • *GE MUSE* • *OBIX* • *Provation* • *ReDoc* • *PeerVue* • *Powerscribe* • *InterQuaal* • *3M* • *Vision* • *Verge* • *Avatar* • *Med Mined* • *MD Analytics* • *ePath* • *Forward Advantage* **Note: Natividad Medical Center will be able to SSO Enable additional applications during (and after) the implementation process. Training for SSO Enablement is included in the Training Section of this SOW.**	Weeks 1-3	18
OneSign Testing	The Technical Services Consultant will work with the OneSign Administrator to test user authentication, client installation, and application enablement and user workflow. In the event that applications or security policies need to be refined, the Technical Services Consultant will work with the appropriate customer resources to refine the OneSign System.	Weeks 3-4	4

Training			
Activity	**Description**	**Timeline**	**Hours**
Imprivata Administrator Training	Focus on training the key OneSign Administrator on architecture overview, security policies, Agent deployment and device authentication options as well as reporting. Additional End-User workflow options as well as APG (Application Profile Generator) will be covered in order to discuss how the OneSign products can/will work within the customer's environment. *(Typically this course lasts 4 hours.)*	Week 4	4
Application Enablement Overview and Training	The Technical Services Consultant will work with the customer's OneSign Administrator, and appropriate Application Administrator, to demonstrate the process of SSO enablement of an application in OneSign. The Consultant will use one of the customer identified key applications as the subject for the demonstration. (This is not to be considered complete application enablement activities, only OneSign Administrator Training of the Application Profile Generator).	Week 4	4
Help Desk Training	Training sessions on resolving common technical problems and where to go for additional resources and technical assistance. (Typically this course lasts 2 hours.)	Week 4	6

Testing/Deployment (IS Department)			
Activity	**Description**	**Timeline**	**Hours**
Testing/Deployment (IS Department)	The Technical Services Consultant will work with the OneSign Administrator and Desktop Administrator and other Customer resources to install, configure and test OneSign in the IS Department. • Test end-user workstations • Test end-user enrollment process • Test end-user application workflows (Login and Change Password Processes) • Test end-user initial authentication • Test end-user unlocking of a workstation • Test authentication methods to Login, Unlock, and Lock Workstations (including timers) • Test Password Self Service Reset • Test Reporting/Audit Records	Week 4	6

Initial Department Deployment – County of Monterey, NMC			
Activity	**Description**	**Timeline**	**Hours**
Initial Department Deployment	The Technical Services Consultant will work with the Project Manager, OneSign Administrator and Desktop Administrator and other Customer resources to install, configure and test OneSign as well as enroll end-users in the initial department. **Initial Department:** • **50 User (Approx.)** • **25 Devices (Approx.)** • Determine success criteria • Determine user community • Review client software deployment plan • Review & develop end-user communication plan • Review & develop end-user training documents • Train and enable end-users • Review & develop end-user support plan • Monitor end-user activity for issues (Technical, Training, Other)	Week 6+ ***(After Period Defined by Project Team)***	24

Amendments

Occasionally, after a project is underway, the scope of services required can be unexpectedly altered. Significant changes in, or additions to, this scope of work during the project that require additional time/services from Forward Advantage Implementation Services will require an Amendment, signed by both parties, to detail a revised Statement of Work. This will ensure that the changes to the Statement of Work are documented, and that both the Natividad Medical Center and Forward Advantage agree to the changes.

An Amendment will reflect the new deliverables, activities, and budget for the remainder of the project. It amends the Agreement and Statement of Work from the date on which is it signed by both parties. Payment for all hours worked and expenses incurred up to the date of the Amendment will be due at this time as they were stated in the original Agreement and Scope of Work.

Acknowledgement and Approvals

The Services described in this SOW and the terms and conditions of the County's Service Agreement constitute Forward Advantage's entire obligation. Any agreement made verbally or via any other means outside of the contents of this Statement of Work is not binding and Forward Advantage is under no obligation to provide those Services or work product.

Upon completion of this SOW, no additional professional services are due to Natividad Medical Center under this SOW.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

Exhibit A

by Forward Advantage

7255 N. First Street, Suite 106
Fresno, CA 93720
Phone: 877.636.7927
Fax: 559.436.4217

Proposal	FAI-NMC-20160218-2500
Proposal Date:	February 18, 2016
Provided For:	Natividad Medical Center Attn: Ari Entin Chief Information Officer 1441 Constitution Blvd. Salinas, CA 93906
Representative	Mike Knebel, Vice President, Sales 877.636.7927 ext. 1283 mike.knebel@forwardadvantage.com

2,500 Users					
		License Fees			
2500	SSO/AM	OneSign SSO/AM	$	57.00	$ 142,500.00
	(VPA-Discount)	(Volume Purchase Agreement Discount)	$	(30.00)	$ (75,000.00)
2500	SSPW	OneSign SSPW Management	$	11.00	$ 27,500.00
	(VPA-Discount)	(Volume Purchase Agreement Discount)	$	(4.00)	$ (10,000.00)
2500	VDA	OneSign Virtual Desktop Access	$	12.00	$ 30,000.00
	(VPA-Discount)	(Volume Purchase Agreement Discount)	$	(2.00)	$ (5,000.00)
				TOTAL License Fees	$ 110,000.00
		Implementation Fees			
1	TR-ONSITE-SVCS	OneSign On-Site Installation ## (Based on standard Statement of Work and includes installation, configuration, testing, IT Admin Training and one (1) week of deployment services to the initial department)	$	20,000.00	$ 20,000.00
				TOTAL Implementation Fees	$ 20,000.00
		Maintenance and Support			
2	SUPG30	OneSign Annual Premium-V Maintenance * (2 yrs.)	$	60,000.00	$ 120,000.00
	(VPA-Discount)	(Volume Purchase Agreement Discount)			$ (54,000.00)
				TOTAL Maintenance Fees	$ 66,000.00
		Equipment & Devices			
2	VIR-APP	OneSign Production Appliance #	$	1,895.00	$ 3,790.00
1	VIR-APP	OneSign Test Environment Virtual Appliance (2)	$	1,895.00	$ 1,895.00
800	HDW-IMP-60	Imprivata USB Proximity Reader - HID ^		$74.00	$ 59,200.00
				TOTAL Equip./Svcs.	$ 64,885.00
				SUBTOTAL QUOTE	$ 260,885.00
				Sales Tax	$ 5,402.00
				Shipping	$ 1,680.00
				TOTAL QUOTE	$ 267,967.00

Comments

(1) Invoicing will occur as follows: Software licensing, Maintenance, equipment and devices will be invoiced upon execution of Agreement. Implementation will be invoiced when delivered.

(2) Test Environment Virtual Appliance is a full-powered appliance for testing of new versions of the OneSign software.

Customer Accepted and Agreed

Name:

Title:

Phone:

Date:

Prices are in U.S. Dollars and are valid through March 31, 2016

Payment Terms: The County Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the certified invoice(s).

#	Minimum of 2 OneSign Production Appliances required
##	Travel and expenses are included
@@	Self Service Password Reset license level must match the current licensed user level
^	Sales Tax Applies

Special Terms

Each OneSign Virtual Appliance requires:

- **VMware ESX or ESXI with vSphere 4.x, VMware Workstation 6.5x or 7.0x, or VMware Server 1.0x or 2.0x**
- **250GB of allocated diskspace**
- **8GB of allocated memory**

EXHIBIT B to Agreement between NMC and Foward Advantage

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective January 1, 2015 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Forward Advantage ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents

agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(f) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Forward Advantage
7255 N. First Street, Suite 106
Fresno, CA 93720
Attn: Mike Knebel
Phone: 877-636-7927 ext.1283
Fax:

If to Covered Entity, to:

Natividad Medical Center
1441 Constitution Blvd.
Salinas, CA 93906
Attn: NMC Contracts Division
Phone: (831) 755-4111
Fax: (831) 757-2592

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

[BUSINESS ASSOCIATE]	*COUNTY OF MONTEREY, ON BEHALF OF NATIVIDAD MEDICAL CENTER*
By: [signature]	By: [signature]
Print Name: Mike Knebel	Print Name: Kristen Aldrich
Print Title: Vice President of Sales	Print Title: Deputy Purchasing Agent
Date: June 4, 2015	Date: 7-1-15

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective January 1, 2015 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Forward Advantage ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents

agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Forward Advantage
7255 N. First Street, Suite 106
Fresno, CA 93720
Attn: Mike Knebel
Phone: 877-636-7927 ext.1283
Fax:

If to Covered Entity, to:

Natividad Medical Center
1441 Constitution Blvd.
Salinas, CA 93906
Attn: NMC Contracts Division
Phone: (831) 755-4111
Fax: (831) 757-2592

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

[BUSINESS ASSOCIATE]

By: _____

Print Name: Mike Knebel

Print Title: Vice President of Sales

Date: June 4, 2015

COUNTY OF MONTEREY, ON BEHALF OF NATIVIDAD MEDICAL CENTER

By: _____

Print Name: Kristen Aldrich

Print Title: Deputy Purchasing Agent

Date: 7-1-15

Introduced: 8/11/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement each with Waltz Creative, LLC, The Buzz PR LLC, and Mag One Media, Inc., pursuant to the Request for Proposals (RFP) #9600-91 for marketing and graphic design services at NMC, for an initial agreement term beginning September 16, 2025 through September 15, 2028, with the option to extend each agreement two (2) additional one-year periods, for a total aggregate not-to-exceed amount of $555,000 for all three contracts for the initial three-year term.
b. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute up to two (2) future amendments to each agreement, each amendment exercising a one year option to extend, for an additional aggregate not-to-exceed amount of $185,000 for all three contracts for Fiscal Year 2028-29 and for an additional aggregate not-to-exceed amount of $185,000 for all three contracts for Fiscal Year 2029-2030, provided that the total cost of the agreement over a five-year period does not exceed $925,000 and as long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

RECOMMENDATION:

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement each with Waltz Creative, LLC, The Buzz PR LLC, and Mag One Media, Inc., pursuant to the Request for Proposals (RFP) #9600-91 for marketing and graphic design services at NMC, for an initial agreement term beginning September 16, 2025 through September 15, 2028, with the option to extend each agreement two (2) additional one-year periods, for a total aggregate not-to-exceed amount of $555,000 for all three contracts for the initial three-year term.

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SUMMARY/DISCUSSION:

NMC issued a Request for Proposal (RFP) #9600-91 on Friday, February 28, 2025 to solicit for one

or more new agreements for marketing and graphic design services from qualified vendors. On Friday, March 28, 2025 NMC received six (6) proposals from vendors submitted for consideration. All proposals were evaluated pursuant to the criteria stated in the RFP #9600-91. Upon a thorough selection process, NMC identified the top qualified vendors as Waltz Creative, LLC, The Buzz PR LLC, and Mag One Media, Inc., based on the ranking set forth by the NMC selection team. These vendors were tentatively selected to be awarded agreements to provide marketing and graphic design services for NMC. Inclusion on the master agreement does not guarantee award of any specific dollar amount. Waltz Creative, LLC, a local marketing and graphic design firm based in San Juan Bautista, CA, brings a diverse wealth of experience and skills for marketing design services. Mag One Media, Inc. is an award-winning full-service marketing and communications agency based in Salinas, CA. The Buzz PR LLC is a local award-winning marketing and communications agency providing brand management, design services and more.

NMC will work closely with these vendors in the design and implementation of projects in order to best serve NMC's objectives. This will include providing information, increasing awareness, promoting brand identity, and providing marketing support. The contractors will also provide marketing and graphic design services based on the scope of work specified in the Request for Proposal (RFP) #9600-91.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025. Following these approvals, the total agreement amount has been reduced from $1,450,000 to $925,000.

FINANCING:

The cost for this agreement is $925,000 of which $185,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-8630.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for a variety of marketing and graphic design services to support the achievement of strategic growth goals of key clinical services and improved patient experience goals.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Hillary Fish, Director of Marketing and Community Relations, 831-783-2693

Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Agreement with Waltz Creative, LLC Awarded per RFP #9600-91
Agreement with The Buzz PR, LLC Awarded per RFP #9600-91
Agreement with Mag One Media, Inc. Awarded per RFP #9600-91

Attachments on file with the Clerk of the Board

Introduced: 8/11/2025

Current Status: Natividad Medical Center - Consent

Version: 1

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__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Hillary Fish, Director of Marketing and Community Relations, 831-783-2693
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

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Attachments on file with the Clerk of the Board

Docusign Envelope ID: AADFEE04-F154-44AA-86C7-98F4C3E0FE36

AGREEMENT BETWEEN COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER AND WALTZ CREATIVE, LLC

This AGREEMENT is made and entered into by and between County of Monterey, on behalf of Natividad Medical Center, a political subdivision of the State of California, (hereinafter referred to as "COUNTY"), and Waltz Creative, LLC, hereinafter referred to as "CONTRACTOR."

1.0 RECITALS

County of Monterey ("County") owns and operates Natividad, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the "Clinic") under its acute care hospital license.

WHEREAS, COUNTY has invited proposals through the Request for Proposals RFP# 9600-91 for to provide **MARKETING AND GRAPHIC DESIGN SERVICES**, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, COUNTY and CONTRACTOR, for the consideration hereinafter named, agree as follows:

2.0 PERFORMANCE OF THE AGREEMENT

2.1 After consideration and evaluation of the CONTRACTOR'S proposal, COUNTY hereby engages CONTRACTOR to provide the services set forth in RFP #9600-91 and in this AGREEMENT on the terms and conditions contained herein and in RFP #9600-91. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

This AGREEMENT including all its attachments, Exhibits and Appendix
RFP #9600-91 plus all associated Addenda
CONTRACTOR'S Proposal dated March 27, 2025
Certificate of Insurance
Additional Insured Endorsements

2.2 All of the above-referenced contract documents are intended to be complementary. Work

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required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, CONTRACTOR's Proposal, RFP #9600-91 including all attachments and exhibits, Addenda issued, CONTRACTOR's Qualifications Package, Certificate of Insurance and Additional Insured Endorsements.

2.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of the County, or immediate family of an employee of the County.

2.4 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

2.4.1 CONTRACTOR must maintain all licenses throughout the term of the AGREEMENT.

2.5 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

3.0 SCOPE OF SERVICE

3.1 Contractor Minimum Work Performance Percentage

The **CONTRACTOR** shall perform, with its own organization, contract work amounting to no less than **fifty percent (50%)** of the original total contract price. However, any designated **"Specialty Items"** may be performed by subcontract. The amount of such "Specialty Items" performed by subcontract may be deducted from the original total contract price before calculating the percentage of work required to be performed by the CONTRACTOR with its own organization.

3.2 Scope of Work

The **Scope of Work** includes, but is not limited to, the following services:

- **3.2.1** Development of customized strategic marketing plans.
- **3.2.2** Brand planning, development, and positioning, including overall brand campaigns.

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- **3.2.3** Creative development of marketing collateral and support materials.
- **3.2.4** Graphic design and coordination of production services for marketing collateral and support materials.
- **3.2.5** Coordination of print services.
- **3.2.6** Advertising services, including creative, production, placement, and measurement.
- **3.2.7** Website design, maintenance, and optimization, including information architecture, content management, site design, metrics, and related expertise as needed.
- **3.2.8** Social media services.
- **3.2.9** Video and photography services.
- **3.2.10** Event planning and development of support materials.

3.3 Contractor Accessibility Requirements

The **CONTRACTOR** represents and warrants that all **Services, Products, and Work Product** provided under this Agreement shall:

- (a) Be accessible to, and usable by, individuals with disabilities; and
- (b) At all times satisfy the **Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria**, or the current applicable version as defined by **Title II of the Americans with Disabilities Act (ADA)** (hereinafter referred to as the "**Accessibility Requirements**").

This includes, but is not limited to:

- Electronic devices
- Web content
- Mobile applications
- Social media content
- Conventional electronic documents

3.4 Project Management Services

The **CONTRACTOR** shall provide **project management services** as assigned.

4.0 TERM OF AGREEMENT

4.1 The initial term shall commence on September 16, 2025 through and including September 15, 2028, with the option to extend the AGREEMENT(s) two (2) additional one (1) year periods. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

4.2 CONTRACTOR shall commence negotiations for any desired fee changes a minimum of sixty days (90) prior to the expiration of this AGREEMENT in order to be considered.

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4.2.1 Both parties shall agree upon changes to fees in writing.

4.3 COUNTY reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

5.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the pricing sheet attached hereto as EXHIBIT-A PRICING.

5.2 CONTRACTOR billing rates attached to the Agreement shall remain firm for the initial term of this AGREEMENT. Any proposed rate adjustments shall adhere to Section 4.2 and 4.2.1 herein.

5.3 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

5.4 CONTRACTOR shall levy no additional fees or surcharges of any kind during the term of this AGREEMENT without first obtaining approval from COUNTTY in writing.

5.5 Tax:

5.5.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.

5.5.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

5.6 COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

6.0 INVOICES AND PURCHASE ORDERS

6.1 Invoices for all services rendered per this AGREEMENT shall be billed directly Natividad Medical Center at the following address:

Natividad Medical Center

Docusign Envelope ID: AADFEE04-F154-44AA-86C7-98F4C3E0FE36

Attn: Accounts Payable
PO Box 81611
Salinas, CA 93912

6.2 CONTACTOR shall reference RFP #9600-91 on all invoices submitted to Natividad Medical Center. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. Natividad shall certify the invoice, either in the requested amount or in such other amount as Natividad approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor- Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.3 All Natividad Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

7.0 INDEMNIFICATION

7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey, including its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

8.0 INSURANCE REQUIREMENTS

8.1 Evidence of Coverage:

8.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany

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the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

8.1.2 This verification of coverage shall be sent to the County of Monterey's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County of Monterey. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

8.1.3 Qualifying Insurers: All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County of Monterey's Purchasing Officer.

8.2 Insurance Coverage Requirements:

8.2.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

8.2.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

8.2.1.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions

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Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.

8.3 Other Insurance Requirements:

8.3.1 All insurance required by this AGREEMENT shall be with a company acceptable to County of Monterey and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

8.3.2 Each liability policy shall provide that County of Monterey shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

8.3.3 *Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County of Monterey and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.*

8.3.4 Prior to the execution of this AGREEMENT by County of Monterey, CONTRACTOR shall file certificates of insurance with County of Monterey's contract administrator and County of Monterey's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of

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insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

8.3.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County of Monterey, annual certificates to County of Monterey's Contract Administrator and County of Monterey's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County of Monterey shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County of Monterey, at its sole discretion, to terminate this AGREEMENT immediately.

9.0 RECORDS AND CONFIDENTIALITY

9.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this AGREEMENT, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

9.2 County of Monterey Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from NMC to perform services under this AGREEMENT.

9.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and COUNTY and Natividad Medical Center rules and regulations related to services performed under this AGREEMENT.

9.4 Access to and Audit of Records: Natividad Medical Center (COUNTY) have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

9.5 CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this AGREEMENT for

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COUNTY will be kept confidential and not be disclosed to any other person. CONTRACTOR agrees to immediately notify COUNTY in accordance with the Notices Section of this AGREEMENT, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this AGREEMENT. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to COUNTY hereunder.

10.0 NON-DISCRIMINATION

10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination.

10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all agreements with subcontractors to perform work under the contract.

11.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

11.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.,) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.

11.2 Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total AGREEMENT amount, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT amount before computing the amount of work required to be performed by CONTRACTOR with his own organization or per a consortium.

11.3 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.

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11.4 Any subcontractor shall comply with all of COUNTY requirements, including insurance and indemnification requirements as detailed in SAMPLE AGREEMENT.

12.0 CONFLICT OF INTEREST

12.1 CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this AGREEMENT. Without limitation, CONTRACTOR represents to and agrees with COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing COUNTY hereunder and any other person or entity (including but not limited to any federal or state environmental or regulatory agency) which has any interest adverse or potentially adverse to COUNTY, as determined in the reasonable judgment of the Board of Supervisors of County.

13.0 COMPLIANCE WITH APPLICABLE LAWS

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to Natividad's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.4 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this AGREEMENT, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

14.0 DRUG FREE WORKPLACE

14.1 CONTRACTOR and CONTRACTOR'S employees shall comply with the County's

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policy of maintaining a drug free workplace. Neither CONTRACTOR nor CONTRACTOR'S employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads no contest to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR shall, within five days thereafter notify the head of the NMC department/agency for which the AGREEMENT services are performed. Violation of this provision shall constitute a material breach of this AGREEMENT.

15.0 TIME OF ESSENCE

15.1 Time is of the essence in respect to all provisions of this AGREEMENT that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this AGREEMENT.

16.0 PERFORMANCE ASSURANCE

16.1 Assurance of Performance: If at any time COUNTY believes CONTRACTOR may not be adequately performing its obligations under this AGREEMENT or that CONTRACTOR may fail to complete the Services as required by this AGREEMENT, County may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in CONTRACTOR'S performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this AGREEMENT. If COUNTY accepts the plan it shall issue a signed waiver.

16.1.1 Waiver: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this AGREEMENT shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

17.0 TRAVEL REIMBURSEMENT

17.1 Travel reimbursements are not permitted for this AGREEMENT.

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18.0 EMERGENCY SITUATIONS

18.1 CONTRACTOR shall provide the name and contact information of a representative who shall be available 24 hours a day, 7 days a week, in the event of an emergency. During the emergency, CONTRACTOR shall provide COUNTY with all available supplies, materials, equipment and/or services on a priority basis.

18.2 COUNTY expects emergency deliveries to occur within 4 hours of order placement and may be required during evenings, weekends, and holidays. Time is of the essence for delivery during emergency situations. Delivery location(s) and estimated arrival will be mutually agreed upon, by COUNTY and CONTRACTOR, at time of order and will be determined based on need and existing conditions. It is understood that current conditions, such as power outages, road closures, and damages to CONTRACTOR's facility and/or equipment, will be taken into consideration.

19.0 NON-APPROPRIATIONS CLAUSE

19.1 Notwithstanding anything contained in this AGREEMENT to the contrary, if insufficient funds are appropriated, or funds are otherwise unavailable in the budget for COUNTY for any reason whatsoever in any fiscal year, for payments due under this AGREEMENT, COUNTY will immediately notify CONTRACTOR of such occurrence, and this AGREEMENT shall terminate after the last day during the fiscal year for which appropriations shall have been budgeted for COUNTY or are otherwise available for payments.

20.0 NOTICES

20.1 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to NMC's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

20.2 Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC:	TO CONTRACTOR:
Natividad Medical Center	Waltz Creative, LLC

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Attn: CONTRACTS DIVISION
1441 Constitution Blvd
Salinas, CA 93906
PHONE 831-755-4111

PO Box 1090
San Juan Bautista, CA
95045

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21.0 LEGAL DISPUTES

21.1 CONTRACTOR agrees that this AGREEMENT and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

21.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

21.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

21.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

22.0 GENERAL PROVISIONS

22.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

22.2 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. Subject to Section 22.3, no other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

22.3 Exhibits. The attached Exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

22.4 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

22.5 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

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22.6 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

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~ Signature page to follow ~

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COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO Natividad

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: _____

CONTRACTOR

Waltz Creative, LLC
Contractor's Business Name*** (see instructions)

Signed by:
Beth Welch
1AA211CADD6B4C4...
Signature of Chair, President, or Vice-President

Beth Welch, Managing Partner
Name and Title

Date: 8/29/2025 | 1:53 PM PDT

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

_____
Name and Title

Date: _____

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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EXHIBIT A - PRICING

Key Staff Persons: List the hourly rates which your organization would bill NMC for, **inclusive** of all expenses, for the positions and services listed in the table below. List any additional positions and services your organization would propose as necessary to meet NMC's needs as described herein this RFP. It is crucial that all positions and services proposed to meet NMC's needs be listed below with billing rates.

PRICING (20)		
Job Classification/Title	**Bill Rate to NMC per Hour**	**Role Description**
Creative Director	$135	Lead creative, oversee brand execution
Account Manager	$135	Date-to-day project management and primary
		point of contact
Graphic Designer	$135	Creative execution for print and digital assets,
		edits, finalization of assets
Web Designer	$135	Web and digital design. Includes dev and coding
Account Coordinator	$135	Administrative support, print and
		media coordination
Social Media Coordinator	$135	Strategy and implementation of content and campaigns
OTHER Marketing Strategist	$135	Development of strategy, target audience,
		implementation tactics and ROI/KPIs
SERVICES	**Hourly Rate**	**Description**
Graphic Design	$135	Creation of print, advertising, campaigns and
		digital assets
Web Design / Development	$135	Creation and coding of web and digital assets
Copywriting	$135	Creation of content for print, digital, web and
		social projects
Photography	Estimate p/project	Still images
Videography	Estimate p/project	Art direction and filming
Photo/Video Editing	$135	Editing of digital photographs and video
Web Editing/Updates	$135	Website edits and updates within WordPress
Animation	$135	Motion graphics and animations
Project Management	$135	Manage day-to-day communication and coordination
OTHER Source Files	$135 (taxable)	Ownership transfer of assets to client

AGREEMENT BETWEEN COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER AND THE BUZZ PR LLC

This AGREEMENT is made and entered into by and between County of Monterey, on behalf of Natividad Medical Center, a political subdivision of the State of California, (hereinafter referred to as "COUNTY"), and The Buzz PR LLC, hereinafter referred to as "CONTRACTOR."

1.0 RECITALS

County of Monterey ("County") owns and operates Natividad, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the "Clinic") under its acute care hospital license.

WHEREAS, COUNTY has invited proposals through the Request for Proposals RFP# 9600-91 for to provide **MARKETING AND GRAPHIC DESIGN SERVICES**, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, COUNTY and CONTRACTOR, for the consideration hereinafter named, agree as follows:

2.0 PERFORMANCE OF THE AGREEMENT

2.1 After consideration and evaluation of the CONTRACTOR'S proposal, COUNTY hereby engages CONTRACTOR to provide the services set forth in RFP #9600-91 and in this AGREEMENT on the terms and conditions contained herein and in RFP #9600-91. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

This AGREEMENT including all its attachments, Exhibits and Appendix
RFP #9600-91 plus all associated Addenda
CONTRACTOR'S Proposal dated March 27, 2025
Certificate of Insurance
Additional Insured Endorsements

2.2 All of the above-referenced contract documents are intended to be complementary. Work

required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, CONTRACTOR's Proposal, RFP #9600-91 including all attachments and exhibits, Addenda issued, CONTRACTOR's Qualifications Package, Certificate of Insurance and Additional Insured Endorsements.

2.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of the County, or immediate family of an employee of the County.

2.4 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

2.4.1 CONTRACTOR must maintain all licenses throughout the term of the AGREEMENT.

2.5 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

3.0 SCOPE OF SERVICE

3.1 Contractor Minimum Work Performance Percentage

The **CONTRACTOR** shall perform, with its own organization, contract work amounting to no less than **fifty percent (50%)** of the original total contract price. However, any designated **"Specialty Items"** may be performed by subcontract. The amount of such "Specialty Items" performed by subcontract may be deducted from the original total contract price before calculating the percentage of work required to be performed by the CONTRACTOR with its own organization.

3.2 Scope of Work

The **Scope of Work** includes, but is not limited to, the following services:

- **3.2.1** Development of customized strategic marketing plans.
- **3.2.2** Brand planning, development, and positioning, including overall brand campaigns.

- **3.2.3** Creative development of marketing collateral and support materials.
- **3.2.4** Graphic design and coordination of production services for marketing collateral and support materials.
- **3.2.5** Coordination of print services.
- **3.2.6** Advertising services, including creative, production, placement, and measurement.
- **3.2.7** Website design, maintenance, and optimization, including information architecture, content management, site design, metrics, and related expertise as needed.
- **3.2.8** Social media services.
- **3.2.9** Video and photography services.
- **3.2.10** Event planning and development of support materials.

3.3 Contractor Accessibility Requirements

The **CONTRACTOR** represents and warrants that all **Services, Products, and Work Product** provided under this Agreement shall:

- (a) Be accessible to, and usable by, individuals with disabilities; and
- (b) At all times satisfy the **Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria**, or the current applicable version as defined by **Title II of the Americans with Disabilities Act (ADA)** (hereinafter referred to as the "**Accessibility Requirements**").

This includes, but is not limited to:

- Electronic devices
- Web content
- Mobile applications
- Social media content
- Conventional electronic documents

3.4 Project Management Services

The **CONTRACTOR** shall provide **project management services** as assigned.

4.0 TERM OF AGREEMENT

4.1 The initial term shall commence on September 16, 2025 through and including September 15, 2028, with the option to extend the AGREEMENT(s) two (2) additional one (1) year periods. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

4.2 CONTRACTOR shall commence negotiations for any desired fee changes a minimum of sixty days (90) prior to the expiration of this AGREEMENT in order to be considered.

4.2.1 Both parties shall agree upon changes to fees in writing.

4.3 COUNTY reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

5.1 There is no specific dollar amount associated with the Agreement(s) awarded per RFP #9600-91. Services are on an as-needed basis and shall be authorized by NMC only upon mutual agreement of CONTRACTORS project proposal. Project proposals will be requested as needed and are subject to negotiations.

5.2 CONTRACTOR billing rates attached to the Agreement shall remain firm for the initial term of this AGREEMENT. Any proposed rate adjustments shall adhere to Section 4.2 and 4.2.1 herein.

5.3 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

5.4 CONTRACTOR shall levy no additional fees or surcharges of any kind during the term of this AGREEMENT without first obtaining approval from COUNTTY in writing.

5.5 Tax:

5.5.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.

5.5.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

5.6 COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

6.0 INVOICES AND PURCHASE ORDERS

6.1 Invoices for all services rendered per this AGREEMENT shall be billed directly Natividad Medical Center at the following address:

Natividad Medical Center
Attn: Accounts Payable
PO Box 81611
Salinas, CA 93912

6.2 CONTACTOR shall reference RFP #9600-91 on all invoices submitted to Natividad Medical Center. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. Natividad shall certify the invoice, either in the requested amount or in such other amount as Natividad approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor- Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.3 All Natividad Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

7.0 INDEMNIFICATION

7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey, including its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

8.0 INSURANCE REQUIREMENTS

8.1 <u>Evidence of Coverage:</u>

8.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

8.1.2 This verification of coverage shall be sent to the County of Monterey's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County of Monterey. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

8.1.3 Qualifying Insurers: All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County of Monterey's Purchasing Officer.

8.2 Insurance Coverage Requirements:

8.2.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

8.2.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

8.2.1.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions

made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.

8.3 Other Insurance Requirements:

8.3.1 All insurance required by this AGREEMENT shall be with a company acceptable to County of Monterey and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

8.3.2 Each liability policy shall provide that County of Monterey shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

8.3.3 *Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County of Monterey and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.*

8.3.4 Prior to the execution of this AGREEMENT by County of Monterey, CONTRACTOR shall file certificates of insurance with County of Monterey's contract administrator and County of Monterey's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

8.3.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County of Monterey, annual certificates to County of Monterey's Contract Administrator and County of Monterey's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County of Monterey shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County of Monterey, at its sole discretion, to terminate this AGREEMENT immediately.

9.0 RECORDS AND CONFIDENTIALITY

9.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this AGREEMENT, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

9.2 County of Monterey Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from NMC to perform services under this AGREEMENT.

9.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and COUNTY and Natividad Medical Center rules and regulations related to services performed under this AGREEMENT.

9.4 Access to and Audit of Records: Natividad Medical Center (COUNTY) have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

9.5 CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this AGREEMENT for COUNTY will be kept confidential and not be disclosed to any other person. CONTRACTOR agrees to immediately notify COUNTY in accordance with the Notices

Section of this AGREEMENT, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this AGREEMENT. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to COUNTY hereunder.

10.0 NON-DISCRIMINATION

10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination.

10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all agreements with subcontractors to perform work under the contract.

11.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

11.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.,) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.

11.2 Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total AGREEMENT amount, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT amount before computing the amount of work required to be performed by CONTRACTOR with his own organization or per a consortium.

11.3 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.

11.4 Any subcontractor shall comply with all of COUNTY requirements, including insurance and indemnification requirements as detailed in SAMPLE AGREEMENT.

12.0 CONFLICT OF INTEREST

12.1 CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this AGREEMENT. Without limitation, CONTRACTOR represents to and agrees with COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing COUNTY hereunder and any other person or entity (including but not limited to any federal or state environmental or regulatory agency) which has any interest adverse or potentially adverse to COUNTY, as determined in the reasonable judgment of the Board of Supervisors of County.

13.0 COMPLIANCE WITH APPLICABLE LAWS

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to Natividad's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.4 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this AGREEMENT, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

14.0 DRUG FREE WORKPLACE

14.1 CONTRACTOR and CONTRACTOR'S employees shall comply with the County's policy of maintaining a drug free workplace. Neither CONTRACTOR nor CONTRACTOR'S employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited

to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads no contest to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR shall, within five days thereafter notify the head of the NMC department/agency for which the AGREEMENT services are performed. Violation of this provision shall constitute a material breach of this AGREEMENT.

15.0 TIME OF ESSENCE

15.1 Time is of the essence in respect to all provisions of this AGREEMENT that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this AGREEMENT.

16.0 PERFORMANCE ASSURANCE

16.1 Assurance of Performance: If at any time COUNTY believes CONTRACTOR may not be adequately performing its obligations under this AGREEMENT or that CONTRACTOR may fail to complete the Services as required by this AGREEMENT, County may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in CONTRACTOR'S performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this AGREEMENT. If COUNTY accepts the plan it shall issue a signed waiver.

16.1.1 Waiver: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this AGREEMENT shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

17.0 TRAVEL REIMBURSEMENT

17.1 Travel reimbursements are not permitted for this AGREEMENT.

18.0 EMERGENCY SITUATIONS

18.1 CONTRACTOR shall provide the name and contact information of a representative who shall be available 24 hours a day, 7 days a week, in the event of an emergency. During the emergency, CONTRACTOR shall provide COUNTY with all available supplies, materials, equipment and/or services on a priority basis.

18.2 COUNTY expects emergency deliveries to occur within 4 hours of order placement and may be required during evenings, weekends, and holidays. Time is of the essence for delivery during emergency situations. Delivery location(s) and estimated arrival will be mutually agreed upon, by COUNTY and CONTRACTOR, at time of order and will be determined based on need and existing conditions. It is understood that current conditions, such as power outages, road closures, and damages to CONTRACTOR's facility and/or equipment, will be taken into consideration.

19.0 NON-APPROPRIATIONS CLAUSE

19.1 Notwithstanding anything contained in this AGREEMENT to the contrary, if insufficient funds are appropriated, or funds are otherwise unavailable in the budget for COUNTY for any reason whatsoever in any fiscal year, for payments due under this AGREEMENT, COUNTY will immediately notify CONTRACTOR of such occurrence, and this AGREEMENT shall terminate after the last day during the fiscal year for which appropriations shall have been budgeted for COUNTY or are otherwise available for payments.

20.0 NOTICES

20.1 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to NMC's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

20.2 Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC: TO CONTRACTOR:

Natividad Medical Center
Attn: CONTRACTS DIVISION
1441 Constitution Blvd
Salinas, CA 93906
PHONE 831-755-4111

The Buzz PR LLC
132 B Main St. #235
Salinas, CA
93901

21.0 LEGAL DISPUTES

21.1 CONTRACTOR agrees that this AGREEMENT and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

21.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

21.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

21.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

22.0 GENERAL PROVISIONS

22.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

22.2 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. Subject to Section 22.3, no other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

22.3 Exhibits. The attached Exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

22.4 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

22.5 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

22.6 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted

by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO Natividad

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: _____

CONTRACTOR

The Buzz PR LLC
Contractor's Business Name*** (see instructions)

Marci Cain
Signature of Chair, President, or Vice-President

Marci Cain - Owner
Name and Title

Date: 8/29/2025

By: Lisa Clark
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Lisa Clark- Director of Operations
Name and Title

Date: 8/29/2025

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

EXHIBIT A - PRICING

Key Staff Persons: List the hourly rates which your organization would bill NMC for, **inclusive** of all expenses, for the positions and services listed in the table below. List any additional positions and services your organization would propose as necessary to meet NMC's needs as described herein this RFP. It is crucial that all positions and services proposed to meet NMC's needs be listed below with billing rates.

PRICING (20)		
Job Classification/Title	**Bill Rate to NMC per Hour**	**Role Description**
Creative Director	$85	Leads the overall creative vision for projects and campaigns
		oversees design, strategy, and content on all plaftorms
Account Executive	$75	Primary liaison between clients and the internal team
		manages client relationships, ensures project goals are met
Graphic Designer	$85	Creates visual content including logos, branding
		marketing collateral, digital graphics, and print materials
Web Designer	$95	Designs and develops visually appealing websites
Account Coordinator	$65	Supports account executives and project managers in daily
		operations, communication and administrative tasks
Social Media Coordinator	$65	Manages content creation, shceduling and engagement
OTHER		
SERVICES	**Hourly Rate**	**Description**
Graphic Design	$85	Creates custom visual content including branding,
		marketing materials, and digital assets
Web Design	$125	Design and layout of websites focused on user experience
		branding, and functionality
Copywriting	$50	Creates brand-aligned written content for marketing
		web, print and social media
Photography		
Videography		
Photo/Video Editing		
Web Editing/Updates	$125	Content and layout updates to existing websites including
		blogs, imagery and links
Project Management	$95	End-to-end coordination of project timelines, communication
OTHER		

AGREEMENT BETWEEN COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER AND MAG ONE MEDIA, INC.

This AGREEMENT is made and entered into by and between County of Monterey, on behalf of Natividad Medical Center, a political subdivision of the State of California, (hereinafter referred to as "COUNTY"), and Mag One Media, Inc., hereinafter referred to as "CONTRACTOR."

1.0 RECITALS

County of Monterey ("County") owns and operates Natividad, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the "Clinic") under its acute care hospital license.

WHEREAS, COUNTY has invited proposals through the Request for Proposals RFP# 9600-91 for to provide **MARKETING AND GRAPHIC DESIGN SERVICES**, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, COUNTY and CONTRACTOR, for the consideration hereinafter named, agree as follows:

2.0 PERFORMANCE OF THE AGREEMENT

2.1 After consideration and evaluation of the CONTRACTOR'S proposal, COUNTY hereby engages CONTRACTOR to provide the services set forth in RFP #9600-91 and in this AGREEMENT on the terms and conditions contained herein and in RFP #9600-91. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

This AGREEMENT including all its attachments, Exhibits and Appendix
RFP #9600-91 plus all associated Addenda
CONTRACTOR'S Proposal dated March 27, 2025
Certificate of Insurance
Additional Insured Endorsements

2.2 All of the above-referenced contract documents are intended to be complementary. Work

required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, CONTRACTOR's Proposal, RFP #9600-91 including all attachments and exhibits, Addenda issued, CONTRACTOR's Qualifications Package, Certificate of Insurance and Additional Insured Endorsements.

2.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of the County, or immediate family of an employee of the County.

2.4 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

2.4.1 CONTRACTOR must maintain all licenses throughout the term of the AGREEMENT.

2.5 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

3.0 SCOPE OF SERVICE

3.1 Contractor Minimum Work Performance Percentage

The **CONTRACTOR** shall perform, with its own organization, contract work amounting to no less than **fifty percent (50%)** of the original total contract price. However, any designated **"Specialty Items"** may be performed by subcontract. The amount of such "Specialty Items" performed by subcontract may be deducted from the original total contract price before calculating the percentage of work required to be performed by the CONTRACTOR with its own organization.

3.2 Scope of Work

The **Scope of Work** includes, but is not limited to, the following services:

- **3.2.1** Development of customized strategic marketing plans.
- **3.2.2** Brand planning, development, and positioning, including overall brand campaigns.

- **3.2.3** Creative development of marketing collateral and support materials.
- **3.2.4** Graphic design and coordination of production services for marketing collateral and support materials.
- **3.2.5** Coordination of print services.
- **3.2.6** Advertising services, including creative, production, placement, and measurement.
- **3.2.7** Website design, maintenance, and optimization, including information architecture, content management, site design, metrics, and related expertise as needed.
- **3.2.8** Social media services.
- **3.2.9** Video and photography services.
- **3.2.10** Event planning and development of support materials.

3.3 Contractor Accessibility Requirements

The **CONTRACTOR** represents and warrants that all **Services, Products, and Work Product** provided under this Agreement shall:

- (a) Be accessible to, and usable by, individuals with disabilities; and
- (b) At all times satisfy the **Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria**, or the current applicable version as defined by **Title II of the Americans with Disabilities Act (ADA)** (hereinafter referred to as the "**Accessibility Requirements**").

This includes, but is not limited to:

- Electronic devices
- Web content
- Mobile applications
- Social media content
- Conventional electronic documents

3.4 Project Management Services

The **CONTRACTOR** shall provide **project management services** as assigned.

4.0 TERM OF AGREEMENT

4.1 The initial term shall commence on September 16, 2025 through and including September 15, 2028, with the option to extend the AGREEMENT(s) two (2) additional one (1) year periods. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

4.2 CONTRACTOR shall commence negotiations for any desired fee changes a minimum of sixty days (90) prior to the expiration of this AGREEMENT in order to be considered.

4.2.1 Both parties shall agree upon changes to fees in writing.

4.3 COUNTY reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

5.1 There is no specific dollar amount associated with the Agreement(s) awarded per RFP #9600-91. Services are on an as-needed basis and shall be authorized by NMC only upon mutual agreement of CONTRACTORS project proposal. Project proposals will be requested as needed and are subject to negotiations.

5.2 CONTRACTOR billing rates attached to the Agreement shall remain firm for the initial term of this AGREEMENT. Any proposed rate adjustments shall adhere to Section 4.2 and 4.2.1 herein.

5.3 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

5.4 CONTRACTOR shall levy no additional fees or surcharges of any kind during the term of this AGREEMENT without first obtaining approval from COUNTTY in writing.

5.5 Tax:

5.5.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.

5.5.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

5.6 COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

6.0 INVOICES AND PURCHASE ORDERS

6.1 Invoices for all services rendered per this AGREEMENT shall be billed directly Natividad Medical Center at the following address:

Natividad Medical Center
Attn: Accounts Payable
PO Box 81611
Salinas, CA 93912

6.2 CONTACTOR shall reference RFP #9600-91 on all invoices submitted to Natividad Medical Center. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. Natividad shall certify the invoice, either in the requested amount or in such other amount as Natividad approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor- Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.3 All Natividad Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

7.0 INDEMNIFICATION

7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey, including its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

8.0 INSURANCE REQUIREMENTS

8.1 Evidence of Coverage:

8.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

8.1.2 This verification of coverage shall be sent to the County of Monterey's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County of Monterey. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

8.1.3 Qualifying Insurers: All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County of Monterey's Purchasing Officer.

8.2 Insurance Coverage Requirements:

8.2.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

8.2.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

8.2.1.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions

made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.

8.3 Other Insurance Requirements:

8.3.1 All insurance required by this AGREEMENT shall be with a company acceptable to County of Monterey and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

8.3.2 Each liability policy shall provide that County of Monterey shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

8.3.3 *Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County of Monterey and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.*

8.3.4 Prior to the execution of this AGREEMENT by County of Monterey, CONTRACTOR shall file certificates of insurance with County of Monterey's contract administrator and County of Monterey's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

8.3.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County of Monterey, annual certificates to County of Monterey's Contract Administrator and County of Monterey's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County of Monterey shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County of Monterey, at its sole discretion, to terminate this AGREEMENT immediately.

9.0 RECORDS AND CONFIDENTIALITY

9.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this AGREEMENT, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

9.2 County of Monterey Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from NMC to perform services under this AGREEMENT.

9.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and COUNTY and Natividad Medical Center rules and regulations related to services performed under this AGREEMENT.

9.4 Access to and Audit of Records: Natividad Medical Center (COUNTY) have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

9.5 CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this AGREEMENT for COUNTY will be kept confidential and not be disclosed to any other person. CONTRACTOR agrees to immediately notify COUNTY in accordance with the Notices

Section of this AGREEMENT, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this AGREEMENT. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to COUNTY hereunder.

10.0 NON-DISCRIMINATION

10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination.

10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all agreements with subcontractors to perform work under the contract.

11.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

11.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.,) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.

11.2 Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total AGREEMENT amount, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT amount before computing the amount of work required to be performed by CONTRACTOR with his own organization or per a consortium.

11.3 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.

11.4 Any subcontractor shall comply with all of COUNTY requirements, including insurance and indemnification requirements as detailed in SAMPLE AGREEMENT.

12.0 CONFLICT OF INTEREST

12.1 CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this AGREEMENT. Without limitation, CONTRACTOR represents to and agrees with COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing COUNTY hereunder and any other person or entity (including but not limited to any federal or state environmental or regulatory agency) which has any interest adverse or potentially adverse to COUNTY, as determined in the reasonable judgment of the Board of Supervisors of County.

13.0 COMPLIANCE WITH APPLICABLE LAWS

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to Natividad's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.4 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this AGREEMENT, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

14.0 DRUG FREE WORKPLACE

14.1 CONTRACTOR and CONTRACTOR'S employees shall comply with the County's policy of maintaining a drug free workplace. Neither CONTRACTOR nor CONTRACTOR'S employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited

to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads no contest to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR shall, within five days thereafter notify the head of the NMC department/agency for which the AGREEMENT services are performed. Violation of this provision shall constitute a material breach of this AGREEMENT.

15.0 TIME OF ESSENCE

15.1 Time is of the essence in respect to all provisions of this AGREEMENT that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this AGREEMENT.

16.0 PERFORMANCE ASSURANCE

16.1 Assurance of Performance: If at any time COUNTY believes CONTRACTOR may not be adequately performing its obligations under this AGREEMENT or that CONTRACTOR may fail to complete the Services as required by this AGREEMENT, County may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in CONTRACTOR'S performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this AGREEMENT. If COUNTY accepts the plan it shall issue a signed waiver.

16.1.1 Waiver: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this AGREEMENT shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

17.0 TRAVEL REIMBURSEMENT

17.1 Travel reimbursements are not permitted for this AGREEMENT.

18.0 EMERGENCY SITUATIONS

18.1 CONTRACTOR shall provide the name and contact information of a representative who shall be available 24 hours a day, 7 days a week, in the event of an emergency. During the emergency, CONTRACTOR shall provide COUNTY with all available supplies, materials, equipment and/or services on a priority basis.

18.2 COUNTY expects emergency deliveries to occur within 4 hours of order placement and may be required during evenings, weekends, and holidays. Time is of the essence for delivery during emergency situations. Delivery location(s) and estimated arrival will be mutually agreed upon, by COUNTY and CONTRACTOR, at time of order and will be determined based on need and existing conditions. It is understood that current conditions, such as power outages, road closures, and damages to CONTRACTOR's facility and/or equipment, will be taken into consideration.

19.0 NON-APPROPRIATIONS CLAUSE

19.1 Notwithstanding anything contained in this AGREEMENT to the contrary, if insufficient funds are appropriated, or funds are otherwise unavailable in the budget for COUNTY for any reason whatsoever in any fiscal year, for payments due under this AGREEMENT, COUNTY will immediately notify CONTRACTOR of such occurrence, and this AGREEMENT shall terminate after the last day during the fiscal year for which appropriations shall have been budgeted for COUNTY or are otherwise available for payments.

20.0 NOTICES

20.1 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to NMC's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

20.2 Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC:	TO CONTRACTOR:
Natividad Medical Center	Mag One Media, Inc.

Attn: CONTRACTS DIVISION
1441 Constitution Blvd
Salinas, CA 93906
PHONE 831-755-4111

369 Main St. Suite 201
Salinas, CA
93901

21.0 LEGAL DISPUTES

21.1 CONTRACTOR agrees that this AGREEMENT and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

21.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

21.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

21.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

22.0 GENERAL PROVISIONS

22.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

22.2 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. Subject to Section 22.3, no other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

22.3 Exhibits. The attached Exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

22.4 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

22.5 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

22.6 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

COUNTY OF MONTEREY, on behalf of
NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO Natividad

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: _____

CONTRACTOR

Mag One Media, Inc.
Contractor's Business Name*** (see instructions)

_____
Signature of Chair, President, or Vice-President

Emilio Alex Garcia, CEO
Name and Title

Date: 08/29/25

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

_____
Name and Title

Date: _____

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

PRICING & WARRANTY

Job Classification/ Title	Bill Rate to NMC per Hour	Role Description
Creative Director	$150	Client and account management, creative team management, design and production work
Account Executive	$150	Primary contact, project management, administrative,
Social Media Manager	$150	Manages content, engages followers, and tracks performance to boost brand awareness on social media.
Art Director / Senior Graphics Designer	$150	Graphic design, art direction, communications, copywriting
Web Developer	$150	Website developing, design, coding, editing
Marketing Manager	$150	Marketing, research, strategic planning, ad buys and scheduling

Services	Hourly Rate	Description
Video Production	$250	Filming, editing, video production crew services
Photography Services	$150	Photography
Additional Video Production and Equipment Services	See Appendix Page 45	Daily and hourly rates for production teams and equipment
Photo/Video Editing	$125	Editing
Social Media Services	$125	Social media post creation
Graphic Design Services	$125	Graphic design and production
Web Design/Management	$125	Design, changes and updates

VIDEO PRODUCTION SERVICE RATES

Service	Price
Standard Video Services	$250 per hour
Standard Video Editing Services	$125 per hour

*Pre-Production Services covers costs relating to developing ideas or managing logistics: $75 an hour

VIDEO PRODUCTION PACKAGE RATES

Service	Price
Basic On-Location Production Package • Our simplest package, one crew and one camera. With basic sound and lighting. We recommend this package for a standard “documentary style” produced video (interviews or a voice over intercut with b-roll footage).	$250 per hour (2 hour minimum charge)
Standard Production Day Rates • Every shoot varies based on scope of project. This package usually includes a two-man crew, two cameras, sound equipment (microphones, booms, and multi-channel mixer) for more than one subject. • Package also includes a full light setup (typically more than a standard “three-point” lighting setup).	$1,500 / half day $2,500 / full day

*Grip Van Service Fee not included

LIVE EVENT STREAM PACKAGES

Service	Price
Basic Live Event Stream Package With as few as three crew members, our package includes two cameras, a video switcher, and additional equipment necessary for live streaming your event to a single platform. This comprehensive service covers a 10-hour workday, encompassing setup and breakdown procedures. Technical Director - $1200 Camera Operator - $800 Camera Kit Fee - $350 *Does not include additional sound or lighting, or other pre-production work.	$5,000+
The Works LiveStream Technical Director - $1200 Camera Operator - $800 Studio Camera Kit Fee 1 PTZ Overview Camera Sound Tech Sound suitable for panel discussions accommodating up to 8 guests Stage Hand assistant Graphics Operator	Estimated Range $10,000+
Mag One Media Studio Event or Podcast (Two-Hour Session and Edit) Ideal for hosting multiple subjects in a day in a standard podcast studio setting, with capabilities to stream remote guests or deliver presentation. Vlog / Video podcast table talk style discussion. Videos presentation ranging from 10 to 30 minutes in length. Technical Director 3 cameras up to 4 Zoom callers Live-streamed to your platform of choice.	$1000
Spanish Translation Dubbing Services We specialize in providing professional Spanish translation dubbing services for podcasts, ensuring broader audience reach and engagement across linguistic barriers. Pricing starts at $150 per minute for durations under 3 minutes, decreasing to $100 per minute for durations exceeding 3 minutes.	$100-$150/min

*Podcasts will be quoted accordingly on scope of work. Price is subject to change and is a ballpark estimate per session. Creative graphics for each show is not included in price.

INDIVIDUAL RATES

Service	Price
Video Camera Rental (must include op)	Rates Below
Camera operator day rate	$800/day
Sound Engineer	$800/day
Lighting	A la cart *Rates Below

DRONE SERVICES

Service	Price
Drone Videography Min. 3 hours service (flight time may only be 30 minutes). This service includes scout time, flight approval, license operator insurance.	$250 per hour (3+ hours minum)

POST-PRODUCTION SERVICES

Post-Production timelines cover up to two rounds of feedback notes. Additional work beyond the second round of feedback may incur additional costs depending on the amount of work involved.

Service	Price
Video Editing	$125/hour or $4,000/week
Motion Graphics	$150/hour
Voice Over (30 seconds)	$120

*We offer a slight price reduction for clients booking the entire week for substantial projects.

PHOTOGRAPHY SERVICES

Service	Price
Photography - On Location	$150/hour (3 hour minimum)
Photography - Mag One Studio	$150/hour (no minimum)
Photo Editing	$125/hour

Equipment A la Cart

Lighting

Aputure 120D $50/day - $150 week
Aputure 300D $75/day - $225 week
Aputure Nova-300 $150/day - $450 week
Artfox RGB 12 Par Uplights (box of 8)=$400/day - $1000 week

Camera (must include camera op)

Sony FS7mkii $350/day - $1,050 week
Sony FX6 $425/day - $1,275 week
Sony FX9 $475/day - $1,425 week
RED Komoto-x $600/day - $1,800 week (see below)
-Irix Cinema Lens Kit (5 Lenses) - $250/per day
-15mm T2.6
-21mm T1.5
-45mm T1.5
-150mm T3.0 (macro 1:1 lense)

Service	Price
AV Event Sound • Includes an engineer for 8 hours, 2 QSC 10” speakers with stands, a wireless microphone and mixer	$1,900+
LED wall screen (3rd party vendor rental) • A large LED screen that’s daylight visible.	$4,500/day

Introduced: 8/12/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 5 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement for an additional one (1) month period (August 1, 2025 through August 31, 2025) for a revised full agreement term of August 1, 2018 through August 31, 2025, and no change to the total aggregate amount not-to-exceed $1,850,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 5 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement for an additional one (1) month period (August 1, 2025 through August 31, 2025) for a revised full agreement term of August 1, 2018 through August 31, 2025, and no change to the total aggregate amount not-to-exceed $1,850,000.

SUMMARY/DISCUSSION:

Waltz Creative LLC, a local marketing and graphic design firm based in San Juan Bautista, brings a diverse wealth of experience and skills for marketing design services. Services include but not limited to designing the hospital's newsletter, flyers, rack cards and brochures, print and digital ads, website, social media posts, educational materials and compliance projects, and the patient handbook.

NMC will work closely with Waltz Creative LLC in the design and implementation of projects in order to best serve NMC's objectives. This will include providing information, increasing awareness, promoting brand identity, and providing marketing support.

NMC is requesting approval to extend the agreement retroactively on August 1, 2025 with Waltz Creative LLC for an additional one (1) month period through August 31, 2025, to allow services to continue, with no increase funds for the additional one (1) month of services.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this renewal and amendment No. 5 as to

form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 5 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

There is no additional cost to the agreement for this renewal and amendment no. 5.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for a variety of marketing and graphic design services to support the achievement of strategic growth goals of key clinical services and improved patient experience goals.

__ Economic Development
X Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Hillary Fish, Director of Marketing & Community Relations, 783-2693
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Waltz Creative LLC Renewal and Amendment No. 5
Waltz Creative LLC Amendment No. 4
Waltz Creative LLC Renewal and Amendment No. 3
Waltz Creative LLC Amendment No. 2
Schipper Design LLC Amendment No. 1
Schipper Design LLC Agreement, awarded per RFP #9600-79

Attachments on file with the Clerk of the Board

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 5 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement for an additional one (1) month period (August 1, 2025 through August 31, 2025) for a revised full agreement term of August 1, 2018 through August 31, 2025, and no change to the total aggregate amount not-to-exceed $1,850,000.

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NMC is requesting approval to extend the agreement retroactively on August 1, 2025 with Waltz Creative LLC for an additional one (1) month period through August 31, 2025, to allow services to continue, with no increase funds for the additional one (1) month of services.

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as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 5 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

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BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for a variety of marketing and graphic design services to support the achievement of strategic growth goals of key clinical services and improved patient experience goals.

__ Economic Development
X_ Administration
X_ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Hillary Fish, Director of Marketing & Community Relations, 783-2693
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
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Attachments on file with the Clerk of the Board

Docusign Envelope ID: A543E620-443D-4284-9699-918B3762BA13

Docusign Envelope ID: 49E4BDFD-D55F-45A2-BB9C-523F60A4CC03

Agreement A-14059

RENEWAL AND AMENDMENT NO. 5
TO SERVICES AGREEMENT
BETWEEN WALTZ CREATIVE LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
MARKETING AND GRAPHIC DESIGN SERVICES

This Renewal and Amendment No. 5 to the Services Agreement ("Agreement") which was effective on August 1, 2018 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Waltz Creative LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Parties entered into an Agreement for Marketing and Graphic Design Services pursuant to RFP #9600-79 with a three (3) year term ending July 30, 2021, with the option to extend for two (2) additional one (1) year periods, in which the Monterey County Board of Supervisors approved a total aggregate amount not to exceed $975,000 for all Agreements awarded per RFP #9600-79 for Marketing and Graphic Design Services; and

WHEREAS, the Parties amended the Agreement on June 15, 2021 via Amendment No. 1 to extend the term through July 31, 2022 to allow for services to continue with no changes to the original scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,175,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, CONTRACTOR legally changed the business name to Waltz Creative LLC; and

WHEREAS, the Parties amended the Agreement via Amendment No. 2 to extend it for an additional one (1) year period through July, 31, 2023 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" with a $250,000 for a total aggregate amount of $1,425,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Agreement expired on July 31, 2023; and

WHEREAS, the Parties renewed and amended the Agreement via Renewal and Amendment No. 3 on the same or similar terms, beginning August 1, 2023 and to extend it for an additional one (1) year period through July, 31, 2024 for a revised full Agreement term of August 1, 2018 through July 31, 2024 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,625,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Parties amended the Agreement via Amendment No. 4 to extend the term for an additional one (1) year period through July 31, 2025 for a revised full Agreement term of August 1, 2018 through July 31, 2025 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $225,000 for a total aggregate amount of $1,850,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Agreement expired on July 31, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement retroactive to via Renewal August 1, 2025, to extend the term for an additional one (1) month period (August 1, 2025 through August 31, 2025) for a revised full Agreement term of August 1, 2018 through August 31, 2025 to allow for

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continued need of CONTRACTOR's services, with no changes to the scope of work or billing rates, and no increase to the total aggregate amount of $1,850,000 for all Agreements awarded per RFP #9600-79.

AGREEMENT

NOW, THEREFORE, the Parties agree to renew and amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, and in Amendment No. 4 incorporated herein by this reference, except as specifically set forth below.

1. **Section 4.1 under "TERM OF AGREEMENT" shall be amended to the following:**
   "The term of this Agreement is from August 1, 2018 through August 31, 2025 unless sooner terminated pursuant to the terms of this Agreement."

2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Renewal and Amendment No. 5, and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, and Amendment No. 4.

3. A copy of this Renewal and Amendment No. 5 shall be attached to the Agreement.

4. This Renewal and Amendment No. 5 shall be effective retroactive to August 1, 2025.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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Docusign Envelope ID: 49E4BDFD-D55F-45A2-BB9C-523F60A4CC03

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Renewal and Amendment No. 5 on the basis set forth in this document and have executed this Renewal and Amendment No. 5 on the day and year set forth herein.

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

Signed by:
By: Stacy Saetta
696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 8/11/2025 | 6:31 PM PDT

APPROVED AS TO FISCAL PROVISIONS

DocuSigned by:
By: Patricia Ruiz
E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 8/12/2025 | 8:07 AM PDT

CONTRACTOR

Waltz Creative LLC
CONTRACTOR's Business Name
See instructions below

Signed by:
By: Beth Welch
1AA211CADD6B4C4...
(Signature of: Chair, President, or Vice-President)

Beth Welch
Name and Title

Date: 7/31/2025 | 9:50 AM PDT

By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____
Name and Title

Date: _____

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Wendy Root Askew to:

Agreement No. A-14059 ; Amendment No.: 4
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 4 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement an additional one (1) year period (August 1, 2024 through July 31, 2025) for a revised full agreement term of August 1, 2018 through July 31, 2025, and adding $225,000 for a revised total agreement amount not to exceed $1,850,000.

PASSED AND ADOPTED on this 30th day of April 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting April 30, 2024.

Dated: April 30, 2024
File ID: A 24-172
Agenda Item No.: 16

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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AMENDMENT NO. 4
TO SERVICES AGREEMENT
BETWEEN WALTZ CREATIVE LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
MARKETING AND GRAPHIC DESIGN SERVICES

This Amendment No. 4 to the Services Agreement ("Agreement") which was effective on August 1, 2018 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Waltz Creative LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Parties entered into an Agreement for Marketing and Graphic Design Services pursuant to RFP #9600-79 with a three (3) year term ending July 30, 2021, with the option to extend for two (2) additional one (1) year periods, in which the Monterey County Board of Supervisors approved a total aggregate amount not to exceed $975,000 for all Agreements awarded per RFP #9600-79 for Marketing and Graphic Design Services; and

WHEREAS, the Parties amended the Agreement on June 15, 2021 via Amendment No. 1 to extend the term through July 31, 2022 to allow for services to continue with no changes to the original scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,175,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, CONTRACTOR legally changed the business name to Waltz Creative LLC; and

WHEREAS, the Parties amended the Agreement via Amendment No. 2 to extend it for an additional one (1) year period through July, 31, 2023 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" with a $250,000 for a total aggregate amount of $1,425,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Agreement expired on July 31, 2023; and

WHEREAS, the Parties renewed and amended the Agreement via Renewal and Amendment No. 3 on the same or similar terms, beginning August 1, 2023 and to extend it for an additional one (1) year period through July, 31, 2024 for a revised full Agreement term of August 1, 2018 through July 31, 2024 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,625,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Parties currently wish to amend the Agreement via Amendment No. 4 to extend the term for an additional one (1) year period through July 31, 2025 for a revised full Agreement term of August 1, 2018 through July 31, 2025 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $225,000 for a total aggregate amount of $1,850,000 for all Agreements awarded per RFP #9600-79; and

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DocuSign Envelope ID: 5F5A76D2-E6DB-4FAE-9453-619CDE9830CA

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1, Amendment No. 2, and Renewal and Amendment No. 3 incorporated herein by this reference, except as specifically set forth below.

1. **Section 4.1 under "TERM OF AGREEMENT" shall be amended to the following:**
   "The term of this Agreement is from August 1, 2018 through July, 31, 2025 unless sooner terminated pursuant to the terms of this Agreement."

2. **Paragraph titled "COMPENSATION AND PAYMENTS" shall be amended to include:**
   "5.7. The aggregate total amount payable by COUNTY under all Agreements awarded per RFP 9600-79 for Marketing and Graphic Design services is not to exceed the sum of $1,850,000."

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 4 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, and Renewal and Amendment No. 3.

4. A copy of this Amendment No. 4 shall be attached to the Agreement.

5. This Amendment No. 4 shall be effective when signed by both Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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DocuSign Envelope ID: 5F5A76D2-E6DB-4FAE-9453-619CDE9830CA

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 4 on the basis set forth in this document and have executed this Amendment No. 4 on the day and year set forth herein.

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

DocuSigned by:
By: Charles R. Harris
4E1F837D204E481...
Charles R. Harris, CEO

Date: 6/4/2024 | 2:14 PM PDT

APPROVED AS TO LEGAL PROVISIONS

DocuSigned by:
By: Stacy Saetta
C0ECE1B88F444A9...
Monterey County Deputy County Counsel

Date: 3/20/2024 | 10:26 AM PDT

APPROVED AS TO FISCAL PROVISIONS

DocuSigned by:
By: Patricia Ruiz
F79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 3/20/2024 | 11:28 AM PDT

CONTRACTOR

Waltz Creative LLC
CONTRACTOR's Business Name
See instructions below

DocuSigned by:
By: Beth Welch
1AA2T1CAUD6B8C4...
(Signature of: Chair, President, or Vice-President)

Beth Welch, Managing Partner
Name and Title

Date: 2/17/2024 | 9:32 AM PST

DocuSigned by:
By: Kathy Schipper
6F71F8AA98D8403...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Kathy Schipper, Founder & Partner
Name and Title

Date: 3/13/2024 | 2:34 PM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-14059 ; Amendment No.: 3
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 3 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement an additional one (1) year period (August 1, 2023 through July 31, 2024) for a revised full agreement term of August 1, 2018 through July 31, 2024, and adding $200,000 for a revised total aggregate amount not to exceed $1,625,000.

PASSED AND ADOPTED on this 22th day of August 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting August 22, 2023.

Dated: August 24, 2023
File ID: A 23-377
Agenda Item No.: 35

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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Agreement A-14059

RENEWAL AND AMENDMENT NO. 3
TO SERVICES AGREEMENT
BETWEEN WALTZ CREATIVE LLC AND
THE COUNTY OF MONTEREY ("COUNTY"), FOR THE PROVISION OF SERVICES AT NATIVIDAD MEDICAL CENTER, A COUNTY-OWNED AND OPERATED ACUTE CARE FACILITY
FOR
MARKETING AND GRAPHIC DESIGN SERVICES

This Renewal and Amendment No. 3 to the Services Agreement ("Agreement") which was effective on August 1, 2018 is entered into by and between the County of Monterey ("County"), for the provision of services at Natividad Medical Center, a County-owned and operated acute care facility, and Waltz Creative LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Parties entered into an Agreement for Marketing and Graphic Design Services pursuant to RFP #9600-79 with a three (3) year term ending July 30, 2021, with the option to extend for two (2) additional one (1) year periods, in which the Monterey County Board of Supervisors approved a total aggregate amount not to exceed $975,000 for all Agreements awarded per RFP #9600-79 for Marketing and Graphic Design Services; and

WHEREAS, the Parties amended the Agreement on June 15, 2021 via Amendment No. 1 to extend the term through July 31, 2022 to allow for services to continue with no changes to the original scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,175,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, CONTRACTOR legally changed the business name to Waltz Creative LLC; and

WHEREAS, the Parties amended the Agreement via Amendment No. 2 to extend it for an additional one (1) year period through July, 31, 2023 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" with a $250,000 for a total aggregate amount of $1,425,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Agreement expired on July 31, 2023; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 3 on the same or similar terms, beginning August 1, 2023 and to extend it for an additional one (1) year period through July, 31, 2024 for a revised full Agreement term of August 1, 2018 through July 31, 2024 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,625,000 for all Agreements awarded per RFP #9600-79; and

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1 and Amendment No. 2 incorporated herein by this reference, except as specifically set forth below.

1. **Section 4.1 under "TERM OF AGREEMENT" shall be amended to the following:**
   "The term of this Agreement is from August 1, 2018 through July, 31, 2024 unless sooner terminated pursuant to the terms of this Agreement."

2. **Paragraph titled "COMPENSATION AND PAYMENTS" shall be amended to include:**
   "5.7. The aggregate total amount payable by COUNTY under all Agreements awarded per RFP 9600-79 for Marketing and Graphic Design services is not to exceed the sum of $1,625,000."

3. If there is any conflict or inconsistency between the provisions of Agreement, or this Renewal and Amendment No. 3, the provisions of this Renewal and Amendment No. 3 shall govern.

4. A copy of this Renewal and Amendment No. 3 shall be attached to the Agreement.

5. This Renewal and Amendment No. 3 shall be effective retroactively on August 1, 2023.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 3 as follows:

COUNTY OF MONTEREY

By: DocuSigned by: Charles R. Harris
4E1F837D70E4B1...
Charles R. Harris, CEO

Date: 8/24/2023 | 11:27 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta
C0ECE1B99F444A9...
Monterey County Deputy County Counsel

Date: 7/21/2023 | 8:00 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz
E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/21/2023 | 8:00 AM PDT

CONTRACTOR

Waltz Creative LLC
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: Elizabeth Welch
1AA211CADD6B4C4...
(Signature of: Chair, President, or Vice-President)

Elizabeth Welch, Managing Partner
Name and Title

Date: 7/21/2023 | 7:50 AM PDT

By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____
Name and Title

Date: _____

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Agreement A-14059

AMENDMENT NO. 2
TO SERVICES AGREEMENT
BETWEEN WALTZ CREATIVE LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
MARKETING AND GRAPHIC DESIGN SERVICES

This Amendment No. 2 to the Services Agreement ("Agreement") which was effective on August 1, 2018 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC") and Waltz Creative LLC ("CONTRACTOR"); ");**From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Parties entered into an Agreement for Marketing and Graphic Design Services pursuant to RFP #9600-79 with a three (3) year term ending July 30, 2021, with the option to extend for two (2) additional one (1) year periods, in which the Monterey County Board of Supervisors approved a total aggregate amount not to exceed $975,000 for all Agreements awarded per RFP #9600-79 for Marketing and Graphic Design Services; and

WHEREAS, COUNTY and CONTRACTOR amended the Agreement on June 15, 2021 via Amendment No. 1 to extend the term through July 31, 2022 to allow for services to continue with no changes to the original scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,175,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, CONTRACTOR legally changed the business name to Waltz Creative LLC and:

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to extend it for an additional one (1) year period through July, 31, 2023 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" with a $250,000 for a total aggregate amount of ~~$1,625,000~~ 1,425,000. for all Agreements awarded per RFP #9600-79.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1 incorporated herein by this reference, except as specifically set forth below.

1. **Section 4.1 under "TERM OF AGREEMENT" shall be amended by removing:**
"The initial term shall commence August 1, 2018 through and including July 31, 2022, with the option to extend the AGREEMENT one (1) additional one (1) year period. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

And replacing with:
"The initial term shall commence August 1, 2018 through and including July 31, 2023 year period. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

2. **Paragraph titled "COMPENSATION AND PAYMENTS" shall be amended to include:**
"5.7. The aggregate total amount payable by COUNTY under all Agreements awarded per RFP 9600-79 for Marketing and Graphic Design services is not to exceed the sum of $1,625,000."

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the Agreement and Amendment No. 1.

4. A copy of this Amendment No. 2 shall be attached to the Original Agreement.

5. This Amendment No. 2 shall be effective August 1, 2022.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 2 on the basis set forth in this document and have executed this Amendment No. 2 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: 6/16/22

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: 6/16/2022

APPROVED AS TO FISCAL PROVISIONS

By: Gary Giboney
Monterey County Deputy Auditor/Controller

Date: 6/16/2022

CONTRACTOR

Waltz Creative LLC
CONTRACTOR's Business Name
See instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

Elizabeth Welch, Managing Partner
Name and Title

Date: 5/31/2022

By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

PARTNER KATHY SCHIPPER
Name and Title

Date: 5/31/2022

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN SCHIPPER DESIGN AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
MARKETING AND GRAPHIC DESIGN SERVICES

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on August 1, 2018 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Schipper Design ("CONTRACTOR"); "); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Parties entered into an Agreement for Marketing and Graphic Design Services pursuant to RFP #9600-79 with a three (3) year term ending July 30, 2021, with the option to extend for two (2) additional one (1) year periods, in which the Monterey County Board of Supervisors approved a total aggregate amount not to exceed $975,000 for all Agreements awarded per RFP #9600-79 for Marketing and Graphic Design Services; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to extend the term through July 31, 2022 to allow for services to continue with no changes to the original scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,175,000 for all Agreements awarded per RFP #9600-79.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. **Section 4.1 under "TERM OF AGREEMENT" shall be amended by removing:**
"The initial term shall commence July 1, 2018 through and including June 30, 2021, with the option to extend the AGREEMENT two (2) additional one (1) year periods. NMC is not required to state a reason if it elects not to renew this AGREEMENT."

And replacing with:
"The initial term shall commence August 1, 2018 through and including July 31, 2022, with the option to extend the AGREEMENT one (1) additional one (1) year period. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

2. **Paragraph titled "COMPENSATION AND PAYMENTS" shall be amended to include:**
"5.7. The aggregate total amount payable by COUNTY under all Agreements awarded per RFP 9600-79 for Marketing and Graphic Design services is not to exceed the sum of $1,175,000."

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

4. A copy of this Amendment No. 1 shall be attached to the Original Agreement.

5. This Amendment No. 1 shall be effective when signed by both Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
for Gary R. Gray, DO, CEO

Date: 6-15-21

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: 6/14/2021

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: 6-15-2021

CONTRACTOR

Schipper Design
CONTRACTOR's Business Name
See instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

Elizabeth Welch, Managing Partner
Name and Title

Date: 6/8/2021

By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____
Name and Title

Date: _____

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-14059
Upon motion of Supervisor Phillips, seconded by Supervisor Parker and carried by those members present, the Board of Supervisors hereby:

a. Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement each with Schipper Design and AMF Media Group pursuant to the Request for Proposal (RFP) #9600-79 for marketing and graphic design services at NMC, with an initial agreement term beginning on August 1, 2018 through July 30, 2021, with the option to extend the agreement for two (2) additional one (1) year periods; and for a total aggregate not to exceed amount of $975,000 for both contracts for the initial three-year term.

b. Authorized the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) future amendments to each agreement, each amendment exercising a one year option to extend, for an additional aggregate not to exceed amount of $325,000 for both contracts for Fiscal Year 2021-2022 and for an additional aggregate not to exceed amount of $325,000 for both contracts for Fiscal Year 2022-2023 , provided that the total cost for both agreements over a five year period does not exceed $1,625,000, and so long as an appropriation for the costs of the amen

PASSED AND ADOPTED on this 24th day of July 2018, by the following vote, to wit:

AYES: Supervisors Alejo, Salinas, Phillips, Parker and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 81 for the meeting July 24, 2018.

Dated: July 24, 2018
File ID: A 18-210

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Joel G. Pablo, Deputy

AGREEMENT BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND SCHIPPER DESIGN

This AGREEMENT is made and entered into by the County of Monterey on behalf of Natividad Medical Center, hereinafter referred to as "NMC", a political subdivision of the State of California, and Schipper Design, hereinafter referred to as "CONTRACTOR."

1.0 RECITALS

WHEREAS, NMC has invited proposals through the Request for Proposals (RFP # 9600-79) for Marketing & Graphic Design Services, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, NMC and CONTRACTOR, for the consideration hereinafter named, agree as follows:

2.0 PERFORMANCE OF THE AGREEMENT

2.1 After consideration and evaluation of the CONTRACTOR'S proposal, NMC hereby engages CONTRACTOR to provide the services set forth in RFP #9600-79 and in this AGREEMENT on the terms and conditions contained herein and in RFP # 9600-79. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

RFP # 96000-79 dated February 19, 2018, including all attachments and exhibits
Addendum 1
CONTRACTOR'S Proposal dated March 16, 2018
AGREEMENT
Certificate of Insurance
Additional Insured Endorsements

2.2 All of the above-referenced contract documents are intended to be complementary. Work required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, CONTRACTOR'S Proposal, RFP #9600-79 including all attachments and exhibits, Addendum/Addenda issued, Certificate of Insurance, and Additional Insured Endorsements.

2.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of NMC nor of the County of Monterey, or immediate family of an employee of Natividad Medical Center nor of the County of Monterey.

2.4 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

2.5 CONTRACTOR shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of the United States and of the State of California. The Agency will be in compliance with Title 22, OSHA, Federal and State Labor Laws and the Joint Commission on Accreditation of Health Care Organizations.

2.5.1 CONTRACTOR must maintain all applicable and required licenses throughout the term of the AGREEMENT.

2.6 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use Natividad Medical Center premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

3.0 SCOPE OF SERVICE

3.1 Contractor Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total contract price, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total contract price before computing the amount of work required to be performed by the Contractor with his own organization.

3.2 The Scope of Services can be described generally as providing marketing and graphic design services, which includes but is not limited to the following:

3.2.1 Development of customized strategic marketing plans
3.2.2 Brand planning, development, and positioning including overall brand campaigns
3.2.3 Creative development of marketing collateral and support materials
3.2.4 Graphic design & coordination of production services for marketing collateral and support materials
3.2.5 Coordination of print services
3.2.6 Advertising services including creative, production, placement, and measurement

3.2.7 Website design, maintenance, and optimization including information architecture, content management, site design, metrics, and other expertise as needed
3.2.8 Social Media Services
3.2.9 Video and Photography
3.2.10 Event planning & support materials
3.2.11 Project management services

4.0 TERM OF AGREEMENT

4.1 The initial term shall commence July 1, 2018 through and including June 30, 2021, with the option to extend the AGREEMENT two (2) additional one (1) year periods. NMC is not required to state a reason if it elects not to renew this AGREEMENT.

4.2 If NMC exercises its option to extend, all applicable parties shall mutually agree upon the extension, including any changes in rate and/or terms and conditions.

4.3 NMC reserves the right to cancel the AGREEMENT, or any extension of the AGREEMENT, without cause, with a thirty (30) day written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

5.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the pricing sheet attached hereto as EXHIBIT A – PRICING.

5.2 Prices shall remain firm for the initial term of this AGREEMENT and, thereafter, may be adjusted annually as provided in this paragraph. NMC does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

5.3 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of this AGREEMENT.

5.4 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

5.5 CONTRACTOR shall levy no additional fees nor surcharges of any kind during the term of this AGREEMENT without first obtaining approval from NMC in writing.

5.6 Tax:
5.6.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.
5.6.2 County is registered with the Internal Revenue Service, San Francisco office, EIN number 94-6000524. The County is exempt from Federal Transportation Tax; an

exemption certificate is not required where shipping documents show Monterey County as consignee.

6.0 INVOICES AND PURCHASE ORDERS

6.1 Invoices for all services rendered per this AGREEMENT shall be billed directly to the Natividad Medical Center Accounts Payable department at the following address:

Natividad Medical Center
Accounts Payable Department
P.O. Box 81611
Salinas, CA. 93912

Contact Information:
Phone: (831) 783-2367
Email: AccountsPayableEmail@natividad.com

6.2 CONTACTOR shall reference the RFP/RFQ number on all invoices submitted to NMC. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. NMC shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this AGREEMENT, and shall promptly submit such invoice to the County Auditor-Controller for payment. County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.3 All NMC Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

7.0 STANDARD INDEMNIFICATION

7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey, including its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole

negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

~~8.0 DESIGN PROFESSIONAL INDEMNIFICATION~~

~~8.1 For purposes of the following indemnification provisions ("Indemnification AGREEMENT"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification AGREEMENT is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification AGREEMENT and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification AGREEMENT and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for County of Monterey under this Indemnity AGREEMENT that is permitted by law shall be provided by CONTRACTOR.~~

~~8.2 Indemnification for Design Professional Services Claims:~~
~~CONTRACTOR shall indemnify, defend and hold harmless County of Monterey, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this AGREEMENT, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County of Monterey, or defect in a design furnished by County of Monterey.~~

~~8.3 Indemnification for All Other Claims or Loss:~~
~~For any claim, loss, injury, damage, expense or liability other than claims arising out of CONTRACTOR's performance of design professional services under this AGREEMENT, CONTRACTOR shall indemnify, defend and hold harmless County of Monterey, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this AGREEMENT by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County of Monterey, or defect in a design furnished by County of Monterey.~~ *Intentionally Omitted: NMC Initial* _____ *Schipper Initial* _____

5-15-18

9.0 INSURANCE REQUIREMENTS

9.1 Evidence of Coverage:

9.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall

accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

9.1.2 This verification of coverage shall be sent to the County of Monterey's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County of Monterey. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

9.1.3 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County of Monterey's Purchasing Officer.

9.2 Insurance Coverage Requirements:

9.2.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

9.2.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.2.1.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.2.1.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less

than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.2.1.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.3 Other Insurance Requirements:

9.3.1 All insurance required by this AGREEMENT shall be with a company acceptable to County of Monterey and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

9.3.2 Each liability policy shall provide that County of Monterey shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

9.3.3 Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County of Monterey and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability

Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

9.3.4 Prior to the execution of this AGREEMENT by County of Monterey, CONTRACTOR shall file certificates of insurance with County of Monterey's contract administrator and County of Monterey's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

9.3.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County of Monterey, annual certificates to County of Monterey's Contract Administrator and County of Monterey's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County of Monterey shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County of Monterey, at its sole discretion, to terminate this AGREEMENT immediately.

10.0 NON-DISCRIMINATION

10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code, §12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285.0, et seq.).

10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all AGREEMENTs with subcontractors to perform work under the contract.

11.0 ASSIGNMENT AND SUBCONTRACTING

11.1 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of NMC.

11.2 Subcontractors that have been approved by NMC: Any subcontractor utilized by CONTRACTOR shall comply with all of the County of Monterey requirements stated herein this Agreement including insurance and indemnification sections.

12.0 CONFLICT OF INTEREST

12.1 CONTRACTOR covenants that CONTRACTOR, its responsible officers, and its employees having major responsibilities for the performance of work under the AGREEMENT, presently have no interest and during the term of this AGREEMENT will not acquire any interests, direct or indirect, which might conflict in any manner or degree with the performance of CONTRACTOR'S services under this AGREEMENT.

13.0 COMPLIANCE WITH APPLICABLE LAWS

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to NMC, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

14.0 RECORDS AND CONFIDENTIALITY

14.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the NMC or prepared in connection with the performance of this AGREEMENT, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall

promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

14.2 NMC Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this AGREEMENT.

14.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, County of Monterey and NMC rules and regulations related to services performed under this AGREEMENT.

14.4 Access to and Audit of Records: NMC and the County of Monterey shall have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of NMC or as part of any audit of County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

15.0 TRAVEL REIMBURSEMENT

Travel Reimbursement is not allowed for this AGREEMENT.

16.0 INTELLECTUAL PROPERTY RIGHTS

All data provided by NMC belongs to Natividad Medical Center (County of Monterey). All records compiled by CONTRACTOR in completing the work described in this AGREEMENT, including but not limited to written reports, studies, drawings, blueprints, negatives of photographs, graphs, charts, plans, source codes, specifications and all other similar recorded data, shall become and remain the property of NMC. Use or distribution of NMC data by CONTRACTOR is prohibited unless CONTACTOR obtains prior written consent from NMC.

For NMC data hosted or stored on equipment not owned by NMC, CONTRACTOR shall furnish all data to NMC upon request by NMC at any time during the term of this AGREEMENT and up to one year after the term has expired, in a useable format as specified by NMC and at no additional cost to NMC.

Notwithstanding anything to the contrary contained in this AGREEMENT, it is understood and agreed that CONTRACTOR shall retain all of its rights in its proprietary information including, without limitation, methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge and experience possessed by CONTRACTOR prior to this AGREEMENT.

17.0 NOTICES

Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to NMC contracts division manager or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC:
Natividad Medical Center
CONTRACTS DIVISION
1441 Constitution Blvd
Salinas, CA 93906
FAX: (831) 757-2592

TO CONTRACTOR:
Schipper Design
53 Muckelemi Street
San Juan Bautista, CA 95045
Phone: (831) 623-2341
Email: kathy@schipperdesign.com

18.0 LEGAL DISPUTES

CONTRACTOR agrees that this AGREEMENT, and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

- ***Signature page to follow -***

NATIVIDAD MEDICAL CENTER

By: _____
Gary R. Gray, DO, CEO

Date: 4/30/18

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: 5/15/18

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: 5-16-18

CONTRACTOR

Schipper Design
CONTRACTOR's Business Name
See instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

KATHY SCHIPPER - OWNER
Name and Title

Date: 4/30/2018

By: H. Kenneth Shipper Jr.
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

H. Kenneth Schipper Jr. CFO
Name and Title

Date: 4/30/2018

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

EXHIBIT A – PRICING

HOURLY RATE CHART

JOB CLASSIFICATION/TITLE	BILL RATE TO NMC PER HOUR	ROLE DESCRIPTION
Creative Director	$150	
Account Executive	$110	
Graphic Designer	$125	
Web Designer	$125	
New Media Designer	$125	
Project Management	$110	
Marketing Strategy	$125	
SERVICES	**HOURLY RATE**	**DESCRIPTION**
Graphic Design	$125	
Web Design	$125	
Copy Writing	$110	
Photography	$200 p/hour	
Videography	Estimate p/project	
Web Editing/Updates	$110	
Source Files	$110 (taxable)	
*A blended rate of $128 for all services is optional		

Introduced: 8/12/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Health Management Associates, Inc. for consulting services pertaining to patient alignment, county ambulatory clinics and health plan member access, adding $300,000 for a revised total agreement amount not to exceed $500,000 with no change to the Agreement term of March 1, 2025 through February 28, 2027.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Health Management Associates, Inc. for consulting services pertaining to patient alignment, county ambulatory clinics and health plan member access, adding $300,000 for a revised total agreement amount not to exceed $500,000 with no change to the Agreement term of March 1, 2025 through February 28, 2027.

SUMMARY/DISCUSSION:

Health Management Associates, Inc. (HMA) is a consulting firm experienced program development with a deep knowledge of county hospital and health system operations and network development. HMA will work with Natividad and Health Department leadership to assist in improving operational and clinical alignment of the Monterey County health portfolio.

HMA will continue to provide guidance regarding; unified planning, strategic partnership development and opportunities for achieving shared operational efficiencies via this amendment. Specific operational improvements will focus on improving appointment access, patient communication, and quality improvement.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this amendment No. 1 is $300,000 of $200,00 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6613.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for consulting services to explore and implement various approaches to providing healthcare benefits and network designs at Natividad and across the Monterey County health system care continuum which will contribute to improve outcomes and access and lead to a more efficient use of resources within the organization.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Daniel Leon, Chief Finance Officer, 783-2561
Approved by: Charles R. Harris, Chief Executive Officer, 783-2551

Attachments:
Health Management Associates, Inc. Amendment No. 1
Health Management Associates, Inc. Agreement
Health Management Associates, Inc. BAA

Attachments on file with the Clerk of the Board

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Health Management Associates, Inc. for consulting services pertaining to patient alignment, county ambulatory clinics and health plan member access, adding $300,000 for a revised total agreement amount not to exceed $500,000 with no change to the Agreement term of March 1, 2025 through February 28, 2027.

SUMMARY/DISCUSSION:

Health Management Associates, Inc. (HMA) is a consulting firm experienced program development with a deep knowledge of county hospital and health system operations and network development. HMA will work with Natividad and Health Department leadership to assist in improving operational and clinical alignment of the Monterey County health portfolio.

HMA will continue to provide guidance regarding; unified planning, strategic partnership development and opportunities for achieving shared operational efficiencies via this amendment. Specific operational improvements will focus on improving appointment access, patient communication, and quality improvement.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this amendment No. 1 is $300,000 of $200,00 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6613.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for consulting services to explore and implement various approaches to providing healthcare benefits and network designs at Natividad and across the Monterey County health system care continuum which will contribute to improve outcomes and access and lead to a more efficient use of resources within the organization.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Daniel Leon, Chief Finance Officer, 783-2561
Approved by: Charles R. Harris, Chief Executive Officer, 783-2551

Attachments:
Health Management Associates, Inc. Amendment No. 1
Health Management Associates, Inc. Agreement
Health Management Associates, Inc. BAA

Attachments on file with the Clerk of the Board

Docusign Envelope ID: 2375CB1F-19B5-4497-B9D8-CBF0686E9A28

AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN HEALTH MANAGEMENT ASSOCIATES, INC. AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
CONSULTING SERVICES

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on April, 22, 2025 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Health Management Associates, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Consulting and Services with a term March 1, 2025 through February 28, 2027 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to add an additional $300,000 for a revised total Agreement amount of $500,000 with no changes to the scope or term of Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $500,000"

2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

3. A copy of this Amendment No. 1 shall be attached to the Agreement.

4. This Amendment No. 1 shall be effective when both parties have signed.

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D... _____
Monterey County Deputy County Counsel

Date: 7/29/2025 | 9:24 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6... _____
Monterey County Deputy Auditor/Controller

Date: 7/30/2025 | 7:42 AM PDT

CONTRACTOR

Health Management Associates, Inc.

CONTRACTOR's Business Name
See instructions below

By: Signed by: Kelly Johnson 7533E7CBA7A5470... _____
(Signature of: Chair, President, or Vice-President)

Kelly Johnson Chief Administrative Officer
Name and Title

Date: 7/21/2025 | 2:26 PM PDT

By: DocuSigned by: Jeff Wink 7155003ED6E14A8... _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Name and Title

Date: 7/29/2025 | 12:04 PM EDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Natividad MEDICAL CENTER

County of Monterey Agreement for Services
(Not to Exceed $200,000)

This Agreement (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center, an acute care hospital ("COUNTY"), and Health Management Associates, Inc. hereinafter "CONTRACTOR (collectively, COUNTY and CONTRACTOR are referred to as the "Parties.").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED; COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in conformity with the terms of the Agreement. The services are generally described as follows: Consulting services pertaining to patient alignment, county ambulatory clinics, and health plan member access

PAYMENTS BY COUNTY; COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of $200,000.

TERM OF AGREEMENT; the term of this Agreement is from March 1, 2025 through February 28, 2027 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

COUNTY reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS; the following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions
Addendum No. 1
Business Associates Agreement ("BAA")

1. PERFORMANCE STANDARDS:

1.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

1.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

1.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or

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supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

2. PAYMENT CONDITIONS:

2.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. COUNTY (Monterey County) does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

2.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

2.3. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to COUNTY. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

2.4. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

3. TERMINATION:

Initial
March 4, 2025 | 11:06 PST

DS
4/22/2025 | 9

3.1. ~~During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.~~

Initial
March 4, 2025 | 11:06 PST

3.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

4. INDEMNIFICATION:

4.1. CONTRACTOR shall indemnify, defend, and hold harmless COUNTY (hereinafter "COUNTY"), its officers, agents and employees from any claim, liability, loss injury or damage arising out of, or in connection with, performance of this Agreement by CONTRACTOR and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the COUNTY. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. The CONTRACTOR shall reimburse the COUNTY for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless the COUNTY under this Agreement.

5. INSURANCE:

5.1. Evidence of Coverage:

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Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

5.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

5.3. Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

5.4. Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.5. Business Automobile Liability Insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $500,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.6. Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.7. Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California

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Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

6. Other Insurance Requirements:

6.1. All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

6.2. Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

6.3. **Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds** with respect to liability arising out of the Contractor's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance**.

6.4. Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that CONTRACTOR has in effect the insurance required by this Agreement. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

6.5. CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

7. RECORDS AND CONFIDENTIALITY:

7.1. Confidentiality: CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure

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of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

7.2. COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

7.3. Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

7.4. Access to and Audit of Records: COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

8. Royalties and Inventions: COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

9. Non-Discrimination: During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

10. Compliance with Terms of State or Federal Grant: If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

11. Independent Contractor: In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of

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Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

12. Notices: Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below.

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: Health Management Associates, Inc. Attn: Jeffrey M. DeVries Address: 2501 Woodlake Cir, Ste 100 City, State, Zip: Okemos, Michigan 48864 FAX: Email: contracts@healthmanagement.com

MISCELLANEOUS PROVISIONS:

13.1 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

13.2 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the Contractor.

13.3 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

13.4 Contractor. The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

13.5 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

13.6 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

13.7 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

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13.8 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

13.9 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

13.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

13.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

13.12 Non-exclusive Agreement. This Agreement is non-exclusive and both COUNTY and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

13.13 Construction of Agreement. COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

13.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

13.15 Integration. This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

13.16 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

Signature Page to follow

Docusign Envelope ID: 914BDC5E-3994-431C-BBC0-936AE84D6BF3

COUNTY OF MONTEREY, FOR THE PROVISION OF SERVICES FOR NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles Harris 4E1F837D204E481...
Charles R. Harris, CEO Natividad

Date: 4/22/2025 | 9:19 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 606D21D44C4341D...
Monterey County Deputy County Counsel

Date: 4/22/2025 | 7:22 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF04E57454F6...
Monterey County Deputy Auditor/Controller

Date: 4/22/2025 | 8:16 AM PDT

CONTRACTOR

Health Management Associates, Inc.
Contractor's Business Name*** (see instructions)

Signed by: Kelly Johnson 7533E7CBA7A5470...
Signature of Chair, President, or Vice-President

Kelly Johnson — Chief Administrative Officer
Name and Title

Date: March 4, 2025 | 11:06 PST

By: DocuSigned by: Jeff Wink 7155003ED6E14A8...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Jeff Wink — Chief Financial
Name and Title

Date: 2/12/2025 | 11:04 AM EST

***__Instructions__:

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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SCOPE OF SERVICES

HMA will provide the following services and any other tasks, as requested:

HMA will provide an array of consulting services as requested by Natividad Medical Center, including:

- Financial, operational, or strategic analysis of the County of Monterey Health System, as requested by Natividad Medical Center.
- Provide management support, including development of work plans, meeting facilitation, and problem-solving on activities to improve patient care alignment of Natividad Medical Center and County of Monterey Health System.
- Perform a productivity review to ensure efficiency and optimization of staffing and workflows. The review will include reviewing existing units of service, available California public hospital staffing benchmarks, and national staffing benchmarks where appropriate to develop unit specific profiles for each identified unit. Reviews can be performed onsite or remote depending on client needs.
    - » HMA will work with Natividad Medical Center on developing an interview schedule. HMA intends to conduct in person interviews of five to six departments a day, a mix of large and small departments, three days a week for three weeks. The interview schedule can be modified at the request of Natividad Medical Center and HMA will attempt to accommodate all requests. Departments unable to be interviewed in person will be interviewed via video conferencing services like Zoom or Teams.
        - » HMA will request data prior to the on-site visits for Natividad Medical Center to share, including current productivity reports for the last 12 months and existing benchmarks and units of services utilized by Natividad Medical Center. Additional data requests may be forthcoming depending on information gathered during the on-site visits.

DELIVERABLES

Pursuant to the Scope of Services discussed above, we will provide the following deliverables:

- Assign key HMA personal to lead consulting projects requested by Natividad Medical Center or Monterey county
- Develop project, scope, and communication plans with key Monterey county staff to ensure project objectives are developed and met
- Written reports, as determined by Monterey county, with findings and recommendations for each consulting project

STAFFING

Jonathan Freedman will serve as the project director. Matthew Sandoval will service as the project manager and will ensure timely completion of deliverables, coordinate team activities, and provide consistent communication with Natividad Medical Center. Mr. Sandoval will be the primary staff on this project. Additional HMA staff will provide services for the project as appropriate.

Short biographies for the individuals who will work on this project, along with an overview of HMA, are provided at the end of this letter.

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TERM OF AGREEMENT

This Agreement will begin on March 1, 2025 and shall continue in effect until February 28, 2026.

PROJECT FEES

The services described above will be provided on a time-and-materials basis. In addition, all out-of-pocket expenses will be reimbursed. Professional hourly rates and travel time will be billed as indicated in the table below. Based on the currently available information, we estimate professional fees and travel time will not exceed $200,000, including expenses during this contract period. As the project progresses, additional requests are made, or the scope evolves, we will provide updated estimates on the overall professional fees and expenses if necessary. We will submit invoices monthly for services provided in the previous month. County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the Monterey County Travel and Business Expense Reimbursement Policy. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/disbursements To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

Title	Professional Hourly Rates	Travel Time Rates
Physician Principal	$510	$315
Managing Principal/Director/Vice President	$450	$280
Principal	$435	$270

Title	Professional Hourly Rates	Travel Time Rates
Associate Principal	$395	$245
Senior Consultant	$355	$220
Consultant	$245	$150
Research Associate	$185	$115
Administrative, Clerical, and Support Staff	$125	$65

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STAFF EXPERIENCE

Jonathan Freedman, MSPH, Senior Vice President of Business Development and Culture

Jonathan Freedman works with plans, providers, associations, and governmental and non-governmental entities in the areas of public health, safety-net healthcare, and public policy. His work focuses on strategic planning, public health improvement and transformation, and the healthcare safety net.

Before joining HMA, Mr. Freedman served as chief of strategy at L.A. Care Health Plan, the largest publicly operated health plan in the nation with more than two million members. In this capacity, he managed strategic planning, government relations, communications, compliance, and community benefits. He led L.A. Care's entry into the commercial market with the launch of L.A. Care Covered on the California health insurance marketplace, Covered California. He was also intimately involved with L.A. Care's substantial growth related to the Medicaid expansion and a dual demonstration known as CalMediConnect.

Prior to joining L.A. Care Health Plan, Mr. Freedman held a variety of management and leadership roles for more than 25 years with the County of Los Angeles, including chief deputy director of the Los Angeles County Department of Public Health, a $1 billion agency with 4,000 staff. His other roles included managing the county's state and federal legislative programs, directing the Medicaid Demonstration Project (1115 waiver) for the county; and serving as an assistant deputy for health, welfare and environmental issues to Supervisor Ed Edelman, a former member of the Los Angeles County Board of Supervisors.

Mr. Freedman has led many high-profile initiatives, including the public health response to the 1994 Northridge earthquake; Los Angeles County's Master Tobacco Settlement negotiation; solutions to funding crises in the Los Angeles County safety net; and the 2010 H1N1 influenza response.

He has also led many special projects on behalf of the Los Angeles County Board of Supervisors and chief executive officer including negotiating the county's interests in California Medicaid waivers; revenue and tax options for local government; workers' compensation and pension reform legislation; developing a successful partnership between Los Angeles and the University of California to re-open the MLK Hospital in South Los Angeles; and negotiating state-county fiscal and program realignment.

He has received outstanding leadership awards from the California State Association of Counties and Los Angeles County. He is a lecturer at the University of California, Los Angeles Fielding School of Public Health, and a contributor to three books on public health practice – *Public Health Leadership* (Routledge Press, 2017), *Public Health Practice: What Works* (Oxford Press, 2012), and *Global Biosecurity: Threats and Responses* (Routledge Press, 2010).

Mr. Freedman earned a bachelor's degree in political science and a master's degree in public health from the University of California, Los Angeles.

Matthew Sandoval, CPHQ, CJCP, FACHE, Principal

Matthew Sandoval is an accomplished leader in healthcare with a proven track record of managing the administration, operations, and quality outcomes in large hospital systems.

Prior to joining HMA, Mr. Sandoval was chief quality officer and interim chief operating officer at Lakewood Regional Medical Center in Lakewood, California. He oversaw quality outcomes for 172 bed acute care hospital and led a team of 10 directors covering ancillary departments including laboratory, respiratory therapy, radiology, pharmacy, facilities and biomed, as well as physical, occupational and

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speech therapy, and dietary and environmental service. Mr. Sandoval was responsible for the hospital's regulatory response from outside agencies, including the California Department of Health, Centers for Medicare and Medicaid Services, and The Joint Commission. He also designed the hospitals' COVID-19 response, managing changes in guidance from the Centers for Disease Control and Prevention and Los Angeles County Department of Public Health. He successfully executed the hospitals' COVID-19 vaccine response clinics.

As chief deputy director and chief operating officer at Ventura County Healthcare Agency and Ventura County Medical Center and Santa Paula Hospital, Mr. Sandoval served as an operations leader and second in command with assumed oversight of the public health, behavioral health, hospitals, ambulatory care, medical examiner's office, Ventura County Health Plan, and Animal Services of Ventura County in the absence of the director. He supervised an annual budget of $850 million and coordinated a successful joint commission hospital accreditation survey. Mr. Sandoval also assisted in the overall ambulatory clinic operations of 15 hospital based clinics, five exempt clinics, and 23 federally qualified healthcare centers through monthly financial reviews.

Previously, Mr. Sandoval served as an assistant hospital supervisor at Arrowhead Regional Medical Center in Colton, California. He was responsible for the performance improvement, infection control, the medical staff office, the medical library, risk management, the cancer registry, regulatory and patient safety departments. Mr. Sandoval completed a successful general acute care relicensing survey conducted by the California Department of Public Health, implemented a strategic plan to reduce hospital infection rates through compliance with evidenced based practices, and initiated a culture of safety program with Beta Healthcare Group to implement a Just Culture program within 18 months. He also set strategic priorities to include the implementation of TeamSTEPPS training in the emergency, labor and delivery, and operating room departments.

Mr. Sandoval earned a master's degree in health administration and a bachelor's degree in psychology from the University of Southern California, Los Angeles. He is a Certified Professional in Healthcare Quality (CPHQ), a Certified Joint Commission Professional (CJCP), and a Fellow of the American College of Healthcare Executives.

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ADDENDUM NO. 1

TO AGREEMENT BY AND BETWEEN HEALTH MANAGEMENT ASSOCIATES, INC. AND THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER FOR CONSULTING SERVICES PERTAINING TO PATIENT ALIGNMENT, COUNTY AMULATORY CLINICS AND HEALTH MEMBER PLAN ACCESS

This Addendum No. 1 amends, modifies, and supplements the County of Monterey Agreement for Services (hereinafter "Agreement") by and between Health Management Associates, Inc. (hereinafter "CONTRACTOR") and the County of Monterey, on behalf of Natividad Medical Center (hereinafter "NMC"). This Addendum #1 has the full force and effect as if set forth within the Terms. To the extent that any of the terms or conditions contained in this Addendum #1 may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum #1 shall take precedence and supersede the attached Agreement.

NOW, THEREFORE, NMC and CONTRACTOR agree that the Agreement terms and conditions shall be amended, modified, and supplemented as follows:

I. Section 3.1, TERMINATION. Section 3.1 is hereby deleted in its entirety and replaced with the following:

During the term of this Agreement, either party may terminate the Agreement for any reason by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this agreement shall be reduced in proportion to the services provided prior to the date of termination.

Signature page to follow.

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Addendum No.1 on the basis set forth in this document and have executed this Addendum No. 1 the day and year set forth herein.

Natividad Medical Center	**Health Management Associates, Inc.**
DocuSigned by: Charles Harris 4E1F837D204E484...	Signed by: Kelly Johnson 7608E7CBA7A5479...
Charles R. Harris, Interim CEO	Signature of Chair, President or Vice-President
4/22/2025 | 9:19 AM PDT	Kelly Johnson Chief Administrative Officer
Date	Printed Name and Title
	March 4, 2025 | 11:06 PST
	Date
Approved as to Legal Provisions:	DocuSigned by: Jeff Wink 7155003ED6E14A8...
Signed by: Stacy Saetta 696D21D44C4341D...	Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer
Monterey County Deputy County Counsel	Jeff Wink Chief Financial Officer
4/22/2025 | 7:22 AM PDT	Printed Name and Title
Date	2/12/2025 | 11:04 AM EST
	Date
Approved as to Fiscal provisions:	Signature Instructions
DocuSigned by: Patricia Ruiz E79EF64E5E7454F6...	For a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
Monterey County Chief-Deputy Auditor-Controller	
4/22/2025 | 8:16 AM PDT	
Date	

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Glenn Church to:

Agreement No.: A-17260
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute a Business Associate Agreement (BAA) with Health Management Associates.
b. Approve the NMC's Chief Executive Officer's recommendation to accept the non-standard provisions of the BAA.

PASSED AND ADOPTED on this 15th day of April 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Daniels
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting April 15, 2025.

Dated: April 16, 2025
File ID: A 25-085
Agenda Item No.: 43

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective March 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Health Management Associates, Inc. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

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1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

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(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within ten (10) calendar days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

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(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) calendar days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) calendar days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

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that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

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4.1 **Term**. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 **Termination**. If a Party determines in good faith that Business Associate has breached a material term of this the other Party has breached a material term of this Addendum, the non-breaching Party may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of breaching Party's receipt of written notice of such breach, if the breach is not cured to the satisfaction of the non-breaching Party.

4.3 **Automatic Termination**. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 **Effect of Termination**. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 **Survival**. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 **Amendments; Waiver**. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

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Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Health Management Associates, Inc.
Attn: Kelly Johnson, Chief Administrative Officer
2501 Woodlake Cir, Ste 100, Okemos, Michigan 48864

Phone: 517-482-9236
Fax:

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

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5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a material violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

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5.12 **Audit or Investigations**. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE

By: Signed by: Kelly Johnson 753E7CBA7A5470...

Print Name Kelly Johnson

Print Title Chief Administrative Officer

Date: March 4, 2025 | 11:06 PST

COVERED ENTITY

By: DocuSigned by: Charles Harris 4E1E837D204E481...

Print Name: Charles Harris

Print Title: CEO

Date: 4/22/2025 | 9:19 AM PDT

Introduced: 8/13/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-16333) with California Transplant Services dba SafetyGraft for tissue bank storage services, extending the agreement an additional three (3) year period (January 1, 2026 through December 31, 2028) for a revised full agreement term of January 1, 2023 through December 31, 2028, and adding $250,000 for a revised total agreement amount not to exceed $450,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-16333) with California Transplant Services dba SafetyGraft for tissue bank storage services, extending the agreement an additional three (3) year period (January 1, 2026 through December 31, 2028) for a revised full agreement term of January 1, 2023 through December 31, 2028, and adding $250,000 for a revised total agreement amount not to exceed $450,000.

SUMMARY/DISCUSSION:

California Transplant Services, Inc. (CTS) is licensed by the California Department of Public Health and is an IRS qualified 501(c) 3 non-profit public charity. CTS operates an eye and tissue bank offering physicians worldwide quality tissue for transplant and is accredited by the American Association of Tissue Banks and a member of the Eye Bank Association of America.

Natividad would like to continue their agreement with California Transplant Services because of its need to appropriately store tissue such as skull flaps. Natividad performs craniotomies that require patient's skull flaps to be removed. These skull flaps will be properly stored at California Transplant Services. A continued contract with CTS assures proper storage and availability no matter where the patient has their skull flaps implanted.

California Transplant Services (CTS) will supply Natividad with procurement packs for Natividad's use in procuring autologous tissue (skull flaps). Once the skull flap has been acquired, CTS will be contacted and the tissue sent to CTS. CTS will pay for couriers, shipment, and carriage of all

autologous bone or skull flaps. CTS shall be responsible for package inspection and notifying Natividad if the package is compromised and potentially not suitable for re-implantation.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by Natividad's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this amendment No. 1 is $250,000 of which $80,000 which is included in the FY25-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6613.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The continuation of the current CTS contract will assure tissues are being transported and stored in accordance with current guidelines and regulations. NMC will continue collaboration with CTS to store skull flaps of the trauma patients requiring craniotomies thereby further enhancing healthcare opportunities for Monterey County residents.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Wally Sayles, Director of Surgical Services, 831-772-7771
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
California Transplant Services dba SafetyGraft Amendment No. 1
California Transplant Services dba SafetyGraft Agreement

Attachments on file with the Clerk of the Board

Introduced: 8/13/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-16333) with California Transplant Services dba SafetyGraft for tissue bank storage services, extending the agreement an additional three (3) year period (January 1, 2026 through December 31, 2028) for a revised full agreement term of January 1, 2023 through December 31, 2028, and adding $250,000 for a revised total agreement amount not to exceed $450,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-16333) with California Transplant Services dba SafetyGraft for tissue bank storage services, extending the agreement an additional three (3) year period (January 1, 2026 through December 31, 2028) for a revised full agreement term of January 1, 2023 through December 31, 2028, and adding $250,000 for a revised total agreement amount not to exceed $450,000.

SUMMARY/DISCUSSION:

California Transplant Services, Inc. (CTS) is licensed by the California Department of Public Health and is an IRS qualified 501(c) 3 non-profit public charity. CTS operates an eye and tissue bank offering physicians worldwide quality tissue for transplant and is accredited by the American Association of Tissue Banks and a member of the Eye Bank Association of America.

Natividad would like to continue their agreement with California Transplant Services because of its need to appropriately store tissue such as skull flaps. Natividad performs craniotomies that require patient's skull flaps to be removed. These skull flaps will be properly stored at California Transplant Services. A continued contract with CTS assures proper storage and availability no matter where the patient has their skull flaps implanted.

California Transplant Services (CTS) will supply Natividad with procurement packs for Natividad's use in procuring autologous tissue (skull flaps). Once the skull flap has been acquired, CTS will be contacted and the tissue sent to CTS. CTS will pay for couriers, shipment, and carriage of all autologous bone or skull flaps. CTS shall be responsible for package inspection and notifying

Natividad if the package is compromised and potentially not suitable for re-implantation.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by Natividad's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this amendment No. 1 is $250,000 of which $80,000 which is included in the FY25-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6613.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The continuation of the current CTS contract will assure tissues are being transported and stored in accordance with current guidelines and regulations. NMC will continue collaboration with CTS to store skull flaps of the trauma patients requiring craniotomies thereby further enhancing healthcare opportunities for Monterey County residents.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Wally Sayles, Director of Surgical Services, 831-772-7771
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
California Transplant Services dba SafetyGraft Amendment No. 1
California Transplant Services dba SafetyGraft Agreement

Attachments on file with the Clerk of the Board

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AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN CALIFORNIA TRANSPLANT SERVICES, INC. dba SAFETYGRAFT AND THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
TISSUE BANK STORAGE

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on June 13, 2023 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and California Transplant Services, Inc. dba SafetyGraft ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Tissue Bank Storage Services with a term January 1, 2023 through December 31, 2025 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to extend it for an additional three (3) year period (January 1, 2026 through December 31, 2028) for a revised Agreement term January 1, 2023 through December 31, 2028 to allow for services to continue with a $250,000 increase for a total Agreement amount of $450,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. ***The second sentence of the first Paragraph, shall be amended by removing:***
   "The term of this agreement shall commence on the effective date, which is the date of execution and shall expire five (5) years thereafter unless sooner terminated by either party with or without cause by giving one hundred eighty (180) days prior written notice to the other party. For purposes of this Agreement, the effective date shall be the last date executed below."

   and replacing it with:
   "The term of this agreement is from January 1, 2023 through December 31, 2028 unless sooner terminated by either party with or without cause by giving one hundred eighty (180) days prior written notice to the other party."

2. ***Section 4 / Paragraph titled, "Fees" shall be amended by removing:***
   "This fee schedule will continue for five years from the effective date of this Agreement. This Agreement shall not exceed $200,000. Hospital shall pay CTS for its participation in the Autograft Storage Program in accordance with the following fee schedule:"

SERVICES	CHARGE	DESCRIPTION
Autologous storage kit and service.	$4275.00	The autologous bone or skull flap storage fee for original shipment from Hospital shall provide for continuously monitored frozen storage of the

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	$1075.00 for each additional one year continued storage term, or part thereof beyond the initial two-year term.	autologous bone or skull flap for a period of two (2) years. If kits are used and self- stored or stored at another facility CTS is entitled to charge for the services. Continued storage beyond two years may incur an additional storage fee to be billed and payable annually at the beginning of the additional storage term.
Transfer to or from another hospitals inventory.	$ TBD Quoted at the time of service	7day / 24 hour
Standard return shipping to Hospital.	$350.00	Return orders received during normal business hours, 7am to 5 pm PST M-F, and at least 24 hrs in advance with arrival of tissue 10:30 am to 5:00 pm. Deviations may incur additional shipment expense.
STAT Shipping Fee for same day return to hospital or requiring air freight, courier, or Fed/Ex First Overnight service.	$500.00	STAT charge is made in place of regular shipping charge; normal commercial shipping methods.
Improperly packaged tissue, or shipments packaged by Hospital that do not comply with CTS' packaging instructions and result in a shipment being refused or otherwise not accepted by an airline or common carrier shipper.	There shall be incurred by Hospital an additional stat shipping fee to cover the round-trip courier and handling fees required, together with a charge for an additional replacement autologous storage kit, as is necessary to properly tender the tissue. Charges shall be billed according to the then current fee in effect for the service during the year of this agreement.	The fee charged is for special handling and couriers which may be considerable, together with the fee for a replacement autologous storage kit as necessary when the tissue is rejected by an airline or common carrier due to improper packaging (usually leaking water caused by improper placement of out outside designated pouches or improper sealing of pouches by Hospital staff) by the Hospital requiring the tissue to be returned to the facility for repackaging by the Hospital's OR staff prior to being retendered to the airline or common carrier for transport.
Disposal of autologous tissue.	$100.00	Fee charged for disposal and documentation of autologous tissue as regulated Medical Waste (RMW).

and replacing it with:

"This fee schedule will continue from January 1, 2023 through December 31, 2028. This agreement shall not exceed $450,000. Hospital shall pay CTS for its participation in the Autograft Storage Program in accordance with the following fee schedule:"

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SERVICES	CHARGE	DESCRIPTION
Autologous storage kit and service. Additional one (1) year storage after two (2) years. SG-1103	$4695.00 $1125.00 for each additional one year continued storage term, or part thereof beyond the initial two-year term.	The autologous bone or skull flap storage fee for original shipment from Hospital shall provide for continuously monitored frozen storage of the autologous bone or skull flap for a period of two (2) years. If kits are used and self-stored or stored at another facility CTS is entitled to charge for the services. Continued storage beyond two years may incur an additional storage fee to be billed and payable annually at the beginning of the additional storage term.
Transfer from other hospitals inventory. SG-1110	$4,695	7day / 24 hour
Transfer from other hospitals inventory out of state to your facility for surgery. SG-1113	$4,995	7day / 24 hour
Standard shipping to Hospital. SG-1200	$500.00	Return orders received during normal business hours, 7am to 5 pm PST M-F, and at least 24 hrs. in advance with arrival of tissue 10:30 am to 5:00 pm. Deviations may incur additional shipment expense.
STAT Shipping Fee for same day return to hospital or requiring air freight, courier, Fed/Ex First Overnight service or an employee flight and overnight expenses. SG-1201	$750.00	STAT charge is made in place of regular shipping charge; normal commercial shipping methods.
Improperly packaged tissue, or shipments packaged by Hospital that do not comply with CTS' packaging instructions and result in a shipment being refused or otherwise not accepted by an airline or common carrier shipper. SG-1203	There shall be incurred by Hospital an additional stat shipping fee to cover the round-trip courier and handling fees required, together with a charge for an additional replacement autologous storage kit, as is necessary to properly tender the tissue. Charges shall be billed according to the then current fee in effect for the service during the year of this agreement.	The fee charged is for special handling and couriers which may be considerable, together with the fee for a replacement autologous storage kit as necessary when the tissue is rejected by an airline or common carrier due to improper packaging (usually leaking water caused by improper placement of out outside designated pouches or improper sealing of

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		pouches by Hospital staff) by the Hospital requiring the tissue to be returned to the facility for repackaging by the Hospital's OR staff prior to being retendered to the airline or common carrier for transport.
Disposal of autologous tissue. SG-1220	$125.00	Fee charged for disposal and documentation of autologous tissue as regulated Medical Waste (RMW).

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

4. A copy of this Amendment No. 1 shall be attached to the Agreement.

5. This Amendment No. 1 shall be effective when both parties have signed.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 8/12/2025 | 10:50 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E67454F6...
Monterey County Deputy Auditor/Controller

Date: 8/12/2025 | 1:11 PM PDT

CONTRACTOR

California Transplant Services, Inc. dba SafetyGraft
CONTRACTOR's Business Name
See instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

Daryl Lirman, President and CEO
Name and Title

Date: 07/21/2025

By: Marc Pablo Digitally signed by Marc Pablo DN: cn=Marc Pablo, o=California Transplant Services, Inc., ou, email=mpablo@catransplant.org, c=US Date: 2025.07.21 15:04:09 -07'00'
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Marc Pablo, Sr. Vice President, Corp Secretary
Name and Title

Date: 07/21/2025

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Mary L. Adams, seconded by Supervisor Chris Lopez to:

Agreement No.: A-16333
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute a retroactive agreement with California Transplant Services dba SafetyGraft for tissue bank storage services at NMC, effective January 1, 2023 through December 31, 2025, not to exceed $200,000; and,
b. Approve the NMC Chief Executive Officer's recommendation to accept non-standard risk provisions (insurance, indemnification, limitations on liability, damages, actions) in the Agreement.

PASSED AND ADOPTED on this 6th day of June 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 6, 2023.

Dated: June 7, 2023
File ID: A 23-200
Agenda Item No.: 18

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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AUTOLOGOUS TISSUE STORAGE AGREEMENT
by and between
CALIFORNIA TRANSPLANT SERVICES, INC.
and
THE COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

"CTS":

CALIFORNIA TRANSPLANT SERVICES, INC.
dba SAFETYGRAFT
5845 Owens Avenue
Carlsbad, CA 92008

"HOSPITAL":

COUNTY OF MONTEREY ON THE BEHALF OF
NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd.
Salinas, CA 93906

This Autologous Tissue Storage Agreement ("Agreement") consists of this signature page, the attached Terms and Conditions, and the Exhibits marked below. This Agreement authorizes California Transplant Services, Inc., a California nonprofit public benefit corporation, d/b/a SafetyGraft, hereinafter referred to as "CTS" to obtain from Natividad Medical Center, a Safety Net Hospital, owned and operated by Monterey County hereinafter referred to as "Hospital", human autologous tissue which CTS may process and distribute such autologous tissue for use in reimplantation. The term of this Agreement shall commence on the effective date, which is the date of execution and shall expire five (5) years thereafter unless sooner terminated by either party with or without cause by giving one hundred eighty (180) days prior written notice to the other party. For purposes of this Agreement, the effective date shall be the last date executed below. This Agreement becomes legally binding upon signature below by authorized representatives of the parties.

Exhibits

___X___ A— American Association of Tissue Banks Accreditation Certificate

___X___ B— FDA Tissue Bank Registration

___X___ C— State of California Tissue Bank License

___X___ D— Certificate of Liability Insurance

CALIFORNIA TRANSPLANT SERVICES, INC.

By: _____

Daryl S. Lirman, President & CEO

Date: 04/14/2023

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

5/9/2023 | 7:46 AM PDT

NATIVIDAD MEDICAL CENTER:

DocuSigned by:
By: Charles Harris
4E1F837D204E481...

CEO

Date: 6/13/2023 | 9:44 AM PDT

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

5/9/2023 | 4:04 PM PDT

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TERMS AND CONDITIONS

1. PROCUREMENT PROCEDURE

CTS shall provide Hospital with all procurement packs without charge for Hospital to use in procuring autologous tissue by Hospital. Hospital shall be responsible for safe and adequate storage of the autograft storage kits provided to Hospital by CTS and liable for the adequacy of all other supplies and instruments used in its procurement process. Procurement packs delivered to Hospital by CTS that are lost by Hospital, or damaged due to improper storage or careless handling by Hospital will be replaced by CTS and will incur a charge in accordance with the fee schedule in this agreement.

Hospital shall immediately notify CTS by telephone of the readiness and availability of human autologous bone or skull flaps for shipment to CTS. The Hospital shall notify CTS by calling 1(800) 928-4778 or 1(760) 804-6890. Hospital shall provide to CTS all aseptically procured autologous tissue in containers or packaging supplied to Hospital by CTS, or other suitable packaging which complies with applicable federal, state and local requirements for transportation of human autologous bone or skull flaps and/or blood specimens. Any packaging other than that supplied by CTS must be approved by CTS prior to its use by Hospital.

Hospital shall provide complete copies of the results of all bacteriological cultures and/or serological testing results (if performed by Hospital on the autologous tissue) corresponding to each shipment of autologous tissue to CTS, unless Hospital and CTS agree in advance that CTS will be performing such testing after receipt of microbiological swab specimen and qualified blood samples.

2. SHIPPING

CTS shall pay for the cost of couriers, shipment, and carriage for all donor autologous bone or skull flaps picked up by courier or shipped from Hospital to CTS's laboratory. The risk of damage or loss for all such shipments shall remain with Hospital. Hospital shall pay return processing, handling, and shipping costs on all shipments which CTS returns to Hospital. Risk of damage or loss for all such shipments shall be the responsibility of Hospital.

Hospital shall include with each shipment of autologous tissue to CTS, a fully completed and signed "Tissue Preservation Service Request Form" and shall also provide a copy of Hospital's patient "face sheet" in a format acceptable to CTS.

Any Protected Health Information (PHI) that may be contained on the Hospital's patient face sheet sent with the autologous tissue shall be considered as PHI under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH") privacy provisions of the American Recovery and Reinvestment Act, as well as to the California privacy laws which are codified in the California Health and Safety Code and in the Confidentiality of Medical Information Act (CMIA). As such, this information shall only be used by CTS in a manner consistent with patient identification and location for tracking and notification purposes, and shall at all times be kept confidential in accordance with HIPAA regulations.

Hospital shall not write or adhere on the outside of the outer cardboard box/shipping container any PHI or document that contains PHI.

For purposes of patient identification, if only a trauma name (alias) is available at the time of autologous tissue recovery and packaging is performed and are therefore provided by Hospital on the Tissue Preservation Service Request Form and Hospital Face Sheet, the true patient name, medical record number, and patient contact information shall be provided by Hospital to CTS as soon as the true patient identification information can be determined by Hospital.

Hospital shall be solely responsible for obtaining all appropriate and required informed consents necessary prior to procurement of any autologous bone or skull flap to be shipped to CTS.

CTS shall promptly inspect the outer packaging that autologous bone or skull flaps are received in from Hospital and shall promptly notify Hospital if it determines that the outer packaging of any autologous bone or skull flap or other tissue it receives from Hospital has been breached, or is in a condition that renders the autologous bone or skull flap or other tissue compromised or not suitable for re-implantation. Any inspection of autologous bone or skull flaps or other tissue by CTS shall be of the outer packaging only and not of the bone or other tissue contained

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within. Therefore, nothing in CTS' inspection of the outer packaging that autologous bone or skull flaps and other tissue is received in from Hospital shall be construed in any way to be a determination by CTS of the usability, safety, suitability, determination of the presence or absence of any communicable disease, or a determination of the presence or absence of any serological or bacteriological testing of the tissue received.

3. BILLING

Hospital shall endeavor to issue a purchase order number to CTS within 30 days of date of service. CTS will invoice the Hospital's accounts payable department for each autologous bone or skull flap submitted to CTS for storage indicating on the invoice the purchase order number, patient initials, medical record number, and date of service. CTS shall submit such invoice periodically or after a billable service has been rendered or after each autologous tissue is submitted to CTS for storage, but in any event, not later than 30 days after the billable service has been rendered or an autologous tissue is submitted for storage by Hospital. Hospital shall certify the invoice for accuracy without undue delay, either in the requested amount or in such other amount as Hospital approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

Contractor shall submit invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services and receipt of a valid purchase order from Hospital. The invoice shall set forth the amount(s) claimed by Contractor, together with an itemized basis for the amounts claimed and such other information that may be necessary pertinent to the invoice. NMC shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

Hospital shall be responsible for paying any and all costs incurred by CTS in the collection of past due amounts under this agreement including collection, attorney, court and other reasonable costs as may be permissible by state law.

4. FEES

This fee schedule will continue for five years from the effective date of this Agreement. This Agreement shall not exceed $200,000. Hospital shall pay CTS for its participation in the Autograft Storage Program in accordance with the following fee schedule:

Hospital Autologous bone or skull flap storage fees for participating hospitals:

SERVICES	CHARGE	DESCRIPTION
Autologous storage kit and service.	$4275.00	The autologous bone or skull flap storage fee for original shipment from Hospital shall provide for continuously monitored frozen storage of the autologous bone or skull flap for a period of two (2) years. If kits are used and self-stored or stored at another facility CTS is entitled to charge for the services.
	$1075.00 for each additional one year continued storage term, or part thereof beyond the initial two-year term.	Continued storage beyond two years may incur an additional storage fee to be billed and payable annually at the beginning of the additional storage term.
Transfer to or from another hospitals inventory.	$ TBD Quoted at the time of service	7day / 24 hour

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Standard return shipping to Hospital.	$350.00	Return orders received during normal business hours, 7am to 5 pm PST M-F, and at least 24 hrs in advance with arrival of tissue 10:30 am to 5:00 pm. Deviations may incur additional shipment expense.
STAT Shipping Fee for same day return to hospital or requiring air freight, courier, or Fed/Ex First Overnight service.	$500.00	STAT charge is made in place of regular shipping charge; normal commercial shipping methods.
Improperly packaged tissue, or shipments packaged by Hospital that do not comply with CTS' packaging instructions and result in a shipment being refused or otherwise not accepted by an airline or common carrier shipper.	There shall be incurred by Hospital an additional stat shipping fee to cover the round-trip courier and handling fees required, together with a charge for an additional replacement autologous storage kit, as is necessary to properly tender the tissue. Charges shall be billed according to the then current fee in effect for the service during the year of this agreement.	The fee charged is for special handling and couriers which may be considerable, together with the fee for a replacement autologous storage kit as necessary when the tissue is rejected by an airline or common carrier due to improper packaging (usually leaking water caused by improper placement of out outside designated pouches or improper sealing of pouches by Hospital staff) by the Hospital requiring the tissue to be returned to the facility for repackaging by the Hospital's OR staff prior to being retendered to the airline or common carrier for transport.
Disposal of autologous tissue.	$100.00	Fee charged for disposal and documentation of autologous tissue as regulated Medical Waste (RMW).

5. RIGHT TO REFUSE

CTS reserves the exclusive right to refuse acceptance of any autologous tissue, or other tissue it is sent by Hospital, its physicians or staff without obligation or liability. CTS may exercise this right to refuse acceptance for several reasons, including but not limited to:

1. Failure by Hospital, its physicians and staff to timely and adequately notify CTS that an autologous bone or skull flap or other autograft tissue has been recovered and is ready for pick-up by CTS.
2. Failures by Hospital, its physicians and staff to timely make the autograft tissue accessible and available to CTS' staff or authorized representatives at the hospital for pick-up and retrieval for shipment to CTS.
3. Failure by Hospital, its physicians and staff to utilize the Autograft Preservation Kit and its contents. Deviation from using these materials must be done in a manner that is safe and suitable, and will not cause the possibility of personnel exposure to any communicable disease. Deviations from normal packaging materials and/or procedures must be done in conjunction with timely notice to CTS of a deviation and the nature of the deviation.
4. Failure by Hospital to fully complete the autograft preservation order form or to obtain the surgeon's or other authorized signature at the bottom of the form.
5. Failure by Hospital, its physicians and staff to follow CTS' instructions as provided and/or updated as to the correct packaging and shipment of autologous bone or skull flaps or other autograft tissue.
6. Improper and/or unsafe packaging of autologous bone or skull flaps or other autograft tissue by Hospital, its physicians and staff. Improper or unauthorized use of solutions, media, or other materials in the preparation or packaging of the autograft tissue. Infection of the tissue with a

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biological agent that would render it unsafe or dangerous despite using normally accepted procedures for handling donor tissue and Universal Precautions as published by the CDC.

7. Failure by Hospital to include the prescribed quantity of solidly frozen wet ice, or other suitable cold packs to the box containing the tissue for shipment to CTS, or in an adequate quantity, prior to making the shipping container available for pick-up by CTS or its authorized representative.

6. EXCLUSIVITY

CTS shall have the exclusive right to store autologous tissue for the Hospital. Hospital shall not use any other agency, firm or source for autologous bone or skull flap storage, during the term of this agreement. Should CTS become unable to accept additional autologous storage submissions due to regulatory action, natural disaster, or other unforeseeable circumstance Hospital shall have the right to submit and store autologous tissue with another agency or firm until such time as CTS is again able to receive submissions of autologous tissue.

7. ACCREDITATION/LICENSURE/FEDERAL REGISTRATION

CTS hereby represents and warrants that it is fully accredited by the American Association of Tissue Banks (AATB) and that it will maintain such accreditation throughout the term of this Agreement. CTS will comply with all standards of procedure and operation required by the AATB and all applicable federal regulations, including, without limitation, those found under 21 CFR 1271, and state laws and regulations throughout the term of this Agreement. CTS will maintain licensure by the California Department of Health Services as a Human Tissue Preservation Laboratory throughout the term of this agreement, and shall be registered from year to year with the United States Food and Drug Administration for the storage and distribution of human bone.

8. COMPLIANCE WITH STANDARDS

Hospital hereby represents and warrants to CTS that Hospital will comply with all regulations, standards of procedure, and operations required by the Joint Commission on Accreditation of Healthcare Organizations with oversight over Hospital, whether or not Hospital is accredited by the Joint Commission. Hospital will also comply will all applicable local, state, and federal laws and regulations throughout the term of this Agreement.

9. INSTRUCTION MODIFICATION

If Hospital modifies any documents that CTS has previously approved for Hospital's use in the autologous tissue procurement process, CTS must first approve all such modifications prior to their use by Hospital. CTS shall also have the right to require Hospital to use updated CTS forms as they are provided to Hospital or otherwise made available by CTS.

10. STATUS OF PATIENT

Hospital, its physicians, and agents shall notify timely CTS of the death of any patient that has provided a autologous tissue to CTS and that still has the autologous tissue banked with CTS' autograft storage program. Hospital shall notify CTS of any change of contact information it knows of for the treating physician for any patients that has autologous tissue on deposit with CTS. CTS shall periodically send patient status forms to the patient's treating physician to be completed by the treating physician regarding the disposal or continued storage of the autologous bone or skull flap being banked for the patient by CTS. Hospital, its physicians and agents shall timely and accurately complete the patient status forms and return them to CTS thereby instructing CTS on the continued storage or destruction of the autologous tissue stored. Failure to return these patient status forms accurately completed within sixty (60) days of receipt shall be considered a material breach of this Agreement.

If after two (2) years from the date of autologous tissue procurement and shipment of the autologous tissue to CTS for storage in the autograft storage program, CTS can no longer contact the patient, identify the patient's legal guardian, and cannot reasonably ascertain the patient's treating physician or a medical professional legally authorized to advocate on behalf of the patient CTS shall send a certified letter with return receipt to the address where the patient was last known to reside stating this fact and the intention of CTS to dispose of the autologous bone or skull flap being stored. CTS shall dispose of the autologous bone or skull flap as biomedical waste under the following conditions:

1) Thirty (30) days has passed after the receipt of the notice by the patient/the patient's legal guardian to make contact with CTS regarding continuing autograft tissue storage arrangements; or

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2) Thirty (30) days has passed after return of the letter as undeliverable by the US Postal Service and CTS has made reasonable attempts to locate the patient.

11. COMMENTS OR COMPLAINT NOTIFICATION

CTS and Hospital shall immediately notify the other party upon receipt of any adverse serological or bacteriological test results and/or any adverse reactions, or deviations from procedure either during the procurement or resulting from any use of human autograft tissue under this Agreement that becomes known to either party. In the event of an adverse reaction, Hospital will immediately notify CTS for determination of suitability of FDA or American Association of Tissue Banks adverse reaction notification.

12. BOOKS AND RECORDS

Hospital and CTS shall each maintain complete records on all of their sterilization, cleaning, procurement, testing, processing, distribution, and disposition procedures. Such records shall be made available during normal business hours for the other party's inspection upon not less than seven days prior written notice. Each party shall be responsible for its own expenses in conducting such inspection and/or audits. CTS shall have the right to inspect Hospital's physical facilities, procedures, and records relevant to the recovery of autologous bone and skull flaps. Such inspection shall be performed during regular business hours upon fourteen (14) days prior written notice. Hospital shall in good faith consider reasonable changes requested by CTS in any of the Hospital's relevant procedures related to the recovery, handling, shipping, and record keeping of autologous bone and skull flaps after an audit or inspection by CTS.

13. CONFIDENTIAL INFORMATION

Hospital shall not use in any way other than as required for the proper performance of its obligations under this Agreement and shall not provide to or disclose to any party any of the information given to it by CTS or otherwise acquired by the Hospital relating to CTS' products, processes, plans, records, documentation, forms, techniques, procedures, donor information, test results, customers, trade secrets or general business operations. Any information legally in Hospital's possession prior to disclosure to it by a CTS representative, which is lawfully published or which otherwise lawfully becomes a part of general knowledge from sources other than CTS, shall not be subject to the restrictions of this Section 13.

14. TERM and TERMINATION

This agreement shall be effective as of the latter date after being executed by both parties ("Effective Date") and shall continue for a period of 5 (five) years. The following provisions shall govern the right, duties and obligations of the parties upon termination of this Agreement however occurring:

a. Termination shall not release or affect, and this Agreement shall remain fully operative, as to any obligations or liabilities incurred by either party prior to the effective date of such termination; provided that all indebtedness of either party of any kind shall become immediately due and payable on the effective date of termination. Hospital may deduct from any sums it owes to CTS any sums owed by CTS to Hospital.

b. Termination of this Agreement shall not terminate any provision of this Agreement intended to survive termination, including but not limited to Section 13, 15, 23 and 24.

c. Either party may terminate this agreement with or without cause by providing the other party written notification by US Mail ninety (90) days prior to the date of termination.

15. DAMAGES

It is agreed by and between the parties that CTS is providing autograft tissue storage services as outlined in this agreement to Hospital, its patients, staff, and physicians as a community service. It is understood by all parties concerned that the services under this agreement are being rendered by CTS as, and by a non-profit corporation. Furthermore, it is agreed between the parties that CTS is in no way, and it shall not be construed under this agreement that CTS is in any way in control, in supervision, or direction of patient care, the surgical surroundings, surgical procedures, general medical arts or care that is rendered by Hospital, its staff and physicians to its patients, or the outcome of any surgical procedure performed that is related to this agreement. It is agreed by Hospital and CTS that CTS shall not be responsible for the procurement, packaging, shipment, processing of

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tissue if any, storage, return shipment, re-implant of tissue into the patient, or the success or failure of any procedure performed on or on behalf of the patient under this agreement or that is provided by CTS. Furthermore, it is agreed by Hospital and CTS that at no time shall it be construed by and between the parties that CTS is providing anything but a service, and that nothing under this agreement shall be deemed the sale or dispensing of a product, or any act or activity that is subject to the uniform commercial code. CTS makes no other express or implied warranties of any kind, including express or implied warranties of merchantability, as to the success or failure of the procurement, shipment, processing if any, storage, handling, return shipment, re-implantation, or as to any other handling or use of the autograft tissue that it is sent by Hospital, its physicians or staff. In no event shall CTS be liable for any direct, indirect, incidental, consequential, special, or other damages including, but not limited to any legal or court costs, attorney fees, or other forms of damages that would be reasonably contemplated by this agreement.
Notwithstanding terms, conditions or provisions to the contrary, any limitation(s) of liability, indemnity or remedies set forth herein do not apply in the event that the service(s) and/or product(s) provided by CTS result in injury or death to persons, or damage to real or personal property.

16. INDEPENDENT CONTRACTOR STATUS
Hospital and CTS shall act at all times under this Agreement as independent contractors, and neither party shall have any right or authority, express or implied to create or to assume any obligation on behalf of the other party hereto.

No relationship of employer and employee is created by this Agreement, it understood that CTS and its employees and subcontractors will act hereunder as independent contractors, not being subject to the direction and control of Hospital in their day to day provision of contract services. CTS shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of Hospital. Furthermore, CTS shall not have any claim under this Agreement or otherwise against Hospital for vacation pay, sick leave, retirement benefits, social security contribution, workers' compensation, disability or unemployment insurance benefits, or any other employee benefit of any kind.

17. LIMITATION ON ACTION
No action arising out of any transaction under this Agreement, regardless of cause or form, may be brought by either party under this Agreement against the other party more than two (2) years after the date the aggrieved party becomes reasonably aware of the event leading to the cause of action first accrues, but in no event after three (3) years after the date of the transaction

18. FORCE MAJEURE
Performance under this Agreement, or any part thereof, may be excused or delayed, and neither party shall be held in breach of any of its obligations under this Agreement or be liable for damages or offset resulting from such delay if such delay is due to causes beyond the reasonable control of the party such as, but not limited to, acts of God, acts of civil or military authority, terrorism, fires, floods, failure of electrical services or other public utilities, labor troubles, cancellation, delay, or unavailability of transportation, epidemics, war or riot.

19. TRANSPORTATION DELAY AND LOSS OF TISSUE
The parties to this agreement acknowledge and agree that transportation of autograft tissue shall be transported from Hospital to CTS by way of CTS employees, common carrier commercial transportation, airlines, couriers, shipping companies, and other subcontracted entities outside the direct control of Hospital or CTS. It is also agreed that unforeseen circumstances may cause undue delay or prevent the successful transport, preservation, storage, return shipment, or re-implantation of the autograft tissue by the employees and agents of Hospital and CTS. Therefore, it is understood and agreed that Hospital and CTS shall be excused from all obligation, liability, damages, economic loss, bodily harm, or even loss of life for any damage to the autograft or its loss, or for any circumstance or event that may render the autograft unusable or unsuitable for acceptance by CTS, processing, storage, return shipment, or for surgical re-implantation by Hospital that is caused by handling during transport, damage to external or internal packaging, damage caused by unforeseen delay in transit, loss, mysterious disappearance, exposure to toxic or noxious chemicals, freezing, thawing, excessive heat, heat wave, or due any other event or circumstance that may cause the autograft tissue from being successfully re-implanted into the patient, other than such event or circumstance caused by the gross negligence of CTS and its employees.

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The parties to this agreement acknowledge and agree that the storage of autograft tissue shall be done with all due care and recognition of the importance of all such tissue sent for storage and re-implantation. However, the parties recognize that circumstances may arise that are unforeseeable, or that cannot be prevented despite the application of reasonable resources and care. Therefore, it is understood and agreed that Hospital and CTS shall be excused from all obligation, liability, damages, economic loss, bodily harm, or even loss of life for any damage to the autograft or its loss, or for any circumstance or event that may render the autograft unusable or unsuitable for acceptance by CTS, processing, storage, return shipment, or surgical re-implantation by Hospital that is caused by the sudden mechanical breakdown of refrigerators, freezers, or other equipment that may be used in the handling, preservation, or storage of the tissue, or for the sudden unforeseen loss of public utilities, electrical service, roving blackouts, brownouts, or failure, malfunction, or loss of backup electricity systems or liquid CO2 backup systems for freezers and other equipment.

20. DESTRUCTION

As part of this agreement Hospital, its physicians and staff shall empower and permit, without objection or injunction, CTS to destroy and dispose of any autograft tissue sent to it by Hospital for storage provided CTS has first obtained from Hospital or the patient's treating physician, the patient, or the patient's legally authorized representative a signed request for destruction and disposal, or a signed authorization for the destruction and disposal of the tissue. CTS shall only destroy or dispose of any tissue sent to it by Hospital and that has been accepted by CTS for storage, by safe and legal means, and such destruction and disposal shall be performed in compliance with all applicable regulatory requirements for the County of San Diego and state of California. Hospital, its physicians and staff shall not unreasonably withhold authorization for the destruction and disposal of any autograft tissue stored by CTS. If CTS is unable to obtain a signed authorization for the destruction and disposal of any tissue sent to it by Hospital, its physicians and staff CTS shall have the right to charge Hospital for the continued storage of such tissue until such time that CTS has determined that it can legally destroy and dispose of the tissue.

21. RETURN OF TISSUE

CTS shall promptly return autograft tissue after it has received verbal telephonic instructions from an authorized representative of Hospital and a valid purchase order number for the return handling and shipping fees relating to the tissue stored. CTS shall have the right to have any order for the return of autograft tissue to Hospital concurrently followed-up with the order in writing via mail or fax to CTS' offices. All orders for return of autograft tissue shall be made with reasonable advance notice sufficient to allow CTS to safely transport the tissue to Hospital or other designated location without extraordinary means or jeopardizing the safety of personnel or the autograft. Generally, notice for the return of tissue shall be given to CTS by Hospital as soon as possible, but not later than 24 hours in advance prior to the time the tissue must arrive at the receiving location prior to the scheduled surgery. It is agreed by Hospital that tissue requested for return shall be sent for specific scheduled surgery dates, and shall not be ordered returned greater than 24 hours prior to the scheduled dates of re-implant of the tissue or for the continued day to day storage at Hospital.

CTS shall return autograft tissue pursuant to receiving proper legal demand from authorized parties (legal next of kin) and/or government agencies (Medical Examiner or County Coroner) to appropriate and suitable locations, and Hospital agrees that it shall be responsible for paying any return shipment and handling fees that CTS normally charges in addition to any extraordinary costs that CTS must incur as part of compliance with such orders unless other arrangements for payment have been made by the entity requesting or ordering the return.

22. PUBLICATION

No announcement, news release, public statement, publication or presentation relating to the existence of this Agreement, the subject matter herein, or either party's performance hereunder will be made without the other party's prior written approval, except as required by law. Neither party will, without the prior written consent of the other party, which shall not unreasonably be withheld: (a) use in advertising, publicity, promotional premiums or otherwise, any trade name, trademark, trade device, service mark, symbol, or other abbreviation, contraction or simulation thereof owned by the other party; or represent, either directly or indirectly, that any product or service of the other party is a product or service of the representing party.

Notwithstanding the foregoing, CTS understands and acknowledges that Hospital is subject to the California Public Records Act and the Ralph M. Brown Act.

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23. INSURANCE
Hospital shall obtain and maintain in force during the term of this Agreement, and for the extended period of its provisions, hospital liability insurance coverage (or adequate self-insurance to cover its liability under this agreement and equivalent in coverage and terms to a customary and usual hospital liability insurance policy with minimum limits as described herein), under a policy or policies issued by a carrier satisfactory to CTS, with minimum limits of $1,000,000 basic coverage plus $1,000,000 excess liability coverage on any such policy issued on a claim made basis and with minimum limits of $1,000,000 basic coverage with $4,000,000 excess liability coverage on any such policy issued on an occurrence basis with, in all cases, no more than a $50,000 deductible on any such policy. Maintenance of or failure to maintain such insurance or self-insurance shall not relieve Hospital of any liability under this Agreement.

Prior to commencement of this Agreement, the CTS shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained.

CTS shall obtain and maintain in force during the term of this Agreement products, completed operations and professional liability insurance coverage under a policy or policies issued by a carrier satisfactory to Hospital, with minimum limits of $2,000,000 per occurrence and $4,000,000 aggregate issued on a claims made basis with no more than a $50,000 deductible on any such policy. Maintenance of such insurance shall not relieve CTS of any liability under this Agreement.

CTS shall also obtain and maintain in force during the term of this Agreement Workers' Compensation Insurance, If CTS employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

CTS shall obtain and maintain in force during the term of this Agreement Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

24. INDEMNITY
To the extent allowable under law, each party agrees to indemnify and hold harmless the other, and the other's respective officers, directors, agents, contractors, representatives and employees and each of their affiliates from and against any and all liability, loss, and damages, and expenses associated therewith (including without limitation reasonable attorneys' fees and costs) where such liability, loss and damages have been finally adjudicated by a court of competent jurisdiction and only to the extent such liability, loss and damages were caused by or resulted from the negligent acts, errors or omissions of the indemnifying party, its contractors, shareholders, employees, or agents. This indemnity clause shall not be applicable to any liability, loss, and damages caused by the actions, failure, or negligence of third-party government agencies, or common carriers such as professional courier services and airlines.

25. GOVERNING LAW
This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to its choice of law provisions.

26. NOTIFICATION OF LEGAL CLAIMS
In the event Hospital or CTS has received knowledge of a legal claim in regard to any services provided by CTS or Hospital under this Agreement, or has been served with or has knowledge of a lawsuit filed in regard to any services provided by CTS or Hospital under this Agreement the party in possession of the knowledge or that has been served with a lawsuit shall promptly within fourteen (21) calendar days notify the other party and shall provide a copy of the complaint to be sent by certified mail return receipt if so served. Failure to comply with this provision shall be deemed by the parties to be a material breach of this Agreement.

27. HEALTHCARE REGULATORY

a. Use of Outside Resources. Pursuant to Title 22 of the Licensing and Certification of Health Facilities and Referral Agencies of the State of California in respect to Section 70713 Use of Outside Resources,

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the parties agree that Hospital retains professional and administrative responsibility for the services rendered and will comply with all other requirements of Section 70713.

b. Fraud & Abuse & OIG Compliance with Medicare/Medicaid Exclusion Rules. It is acknowledged that the Hospital's Compliance Program applies to the services and obligations described herein. This program is intended to prevent compliance concerns such as fraud, abuse, false claims, excess private benefit and inappropriate referrals. This compliance program requires and it is hereby agreed that any regulatory compliance concerns shall be promptly reported either to an appropriate manager or through the hotline (800-850-2551). CTS represents and warrants that it and its employees or agents are not and at no time have been debarred or excluded from participation in any federally funded health care program, including Medicare and/or Medicaid. CTS hereby agrees to immediately notify Hospital of any threatened, proposed or actual exclusion of itself, an employee or agent from any federally funded health care program, including Medicare and/or Medicaid. Failure to abide by these compliance requirements shall immediately and automatically terminate this Agreement.

c. No Physician Ownership. CTS hereby represents and warrants to Hospital that no physician, no physician organization and/or no member of a physician's immediate family (1) owns or holds an ownership in CTS; (2) has a financial interest in CTS or (3) has any type of financial relationship with CTS.

d. Conflict of Interest Disclosure. CTS represents and warrants that neither CTS nor any affiliate of CTS nor any officers, directors, employees, partners, members, owners or shareholders of CTS or any affiliate of CTS is related to, affiliated in any way with, or employs (or otherwise has a compensation interest with) any officer, director or employee of Hospital.

e. Licenses. CTS will provide Hospital with copies of all applicable state and federal licenses and certifications required to lawfully conduct its business in California. It is a condition precedent to performance by either party hereunder that all such CTS licenses and certifications are valid and current. CTS agrees that it will ensure, verify, and confirm that all employees or agents performing under its control have the proper licenses, trainings, qualifications, and competencies required to perform the job for which they have been hired.

f. Compliance with Laws. In the performance of the duties required under this Agreement, both parties shall comply with all applicable laws, ordinances, and codes of local, state and federal governments, including but not limited to the Health Insurance portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH), California Confidentiality of Medical information Act (COMIA), California Information Practices Act (IPA), California privacy laws detailed in the California Health and Safety Code as a result of AB 211 and SB 541 regarding misuse of patient information, as well as The Joint Commission standards.

g. Jeopardy. If the performance by a Party hereto of any term, covenant, condition or provision of this Agreement (i) jeopardizes the licensure of any facility owned, operated or managed by Hospital or any of its affiliates (collectively "Facility"),(ii) jeopardizes participation in Medicare, Medi-Cal or other reimbursement or payment programs, (iii) jeopardizes the full accreditation of any facility by the Joint Commission on Accreditation of Healthcare Organizations or any other state or nationally recognized accreditation organization, (iv) jeopardizes the tax-exempt status of Hospital or any financing of Hospital or (iv) violates any statute or ordinance, or is otherwise deemed to have acted illegally, or is deemed unethical by any recognized body, agency, or association in the medical or hospital fields (collectively, a "Jeopardy Event "), then the parties shall meet forthwith and shall use their best efforts to negotiate an amendment to this Agreement to remove or negate the effect of the Jeopardy Event. If the parties are unable to negotiate such an amendment within five (5) business days following written notice by Hospital of the Jeopardy Event, then Hospital may terminate this Agreement immediately, followed by written Notice of Suspension.

h. Books and Records. In accordance with state and federal law, CTS and Hospital agree that until the expiration of five (5) years after the furnishing of services provided under this Agreement, CTS will retain and make available to the State of California, the Secretary of the United States Department of Health and Human Services (the "Secretary") and the United States Comptroller General, and their duly

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authorized representatives, this Agreement and all books, documents and records necessary to verify the nature and costs of those services, provided that access is required by cited law and regulations, and further provided that the request for such access complies with the procedural requirements of these regulations.

If CTS carries out any of the duties of this Agreement through a subcontract with a value or cost of $10,000 or more over a twelve (12) month period with a related organization, the subcontract will also contain an access clause to permit access by the Secretary, the United States Comptroller General and their representatives to the related organization's books and records. This paragraph shall not, however, be construed to permit services to be rendered thereunder by any person or entity other than CTS, without the approval of Hospital. Further, no attorney-client or other legal privilege will be deemed to have been waived by Hospital or CTS by virtue of this Agreement.

i. Responsibility for Contract. In the event that subcontracting is permitted and utilized by CTS under this Agreement, CTS retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for performance in accordance with the terms of the Agreement and insuring the availability and retention of records of subcontractors in accordance with this Agreement. The preceding does not create a right to subcontract nor does it grant the CTS permission to subcontract work not otherwise expressly permitted to be subcontracted under the terms of the Agreement.

j. Right to Audit and Confirm Compliance. Upon reasonable written notice to CTS, Hospital may inspect relevant portions of CTS's records to verify CTS's compliance with this Agreement. Any failure by Hospital to inspect such records will not be construed as a waiver of any of Hospital's rights and remedies set forth herein.

k. Severability. If any provision of this Agreement is held to be invalid, illegal, unenforceable or otherwise inoperative, the remainder of this Agreement shall remain in full force and effect as if said provision were not included in this Agreement.

26. MISCELLANEOUS

a. This Agreement contains the entire agreement between the parties and supersedes any and all other oral or prior written agreements or understandings. This Agreement may not be amended except by a written document signed by both parties.

b. All notices required or desired to be given under this Agreement shall be deemed delivered when deposited in U.S. Certified Mail, return receipt requested, postage prepaid, addressed to the recipient at the address indicated in the signature page of this Agreement or at such other address as the recipient may hereafter provide to the other party hereto.

Notice to CTS:

California Transplant Services, Inc.
dba SafetyGraft
Daryl Lirman, President and CEO
5845 Owens Avenue
Carlsbad, CA 92013-0815

Notice to Hospital:

County of Monterey
Natividad Medical Center
Legal Services Department
1441 Constitution Blvd.
Salinas, CA 93906

c. The services provided herein are exempt from HIPPA authorization requirements under HHS Regulations: Uses and Disclosures for Organ, Eye or Tissue Donation Purposes - § 164.512(h).

d. It is the objective of CTS and the SafetyGraft autologous tissue storage service to run smoothly, without incident or error, and for the benefit of Hospital and patient. Toward achieving this goal, CTS makes available periodic in-service training for Hospital's surgical staff. Hospital shall make available appropriate operating room staff for periodic in-service training at times convenient to both Hospital and CTS. There shall be no additional charge to Hospital or staff for this in-service training.

e. This Agreement may not be assigned by either Party without the prior written consent of the other Party, which shall not be unreasonably withheld.

For Hospital:

By: _____
County of Monterey on the behalf of Natividad Medical Center

Date: _____

For CTS:

By: _____
Daryl Lirman, President and CEO
California Transplant Services, Inc.

Date: 04/14/2023

END OF TERMS AND CONDITIONS

Introduced: 8/5/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement for a term beginning on the date of execution of the Agreement to June 30, 2027 with Remi Vista, Inc., for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $295,260 for FY 2025-2026 and $295,260 for FY 2026-2027 for a total Agreement amount not to exceed $590,520; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($59,052) of the original Agreement amount, do not significantly change the scope of services and do not increase the total not to exceed amount over $649,572.

RECOMMENDATION:
It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement for a term beginning on the date of execution of the Agreement to June 30, 2027 with Remi Vista, Inc., for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $295,260 for FY 2025-2026 and $295,260 for FY 2026-2027 for a total Agreement amount not to exceed $590,520; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($59,052) of the original Agreement amount, do not significantly change the scope of services and do not increase the total not to exceed amount over $649,572.

SUMMARY/DISCUSSION:
Remi Vista, Inc., is a Short-term Residential Therapeutic Program (STRTP) providing residential and specialty mental health services including specialized and intensive care, support, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The goal of the program is to provide therapeutic interventions to treat and ameliorate the behavioral health symptoms and improve function so that children and adolescents may move to a less restrictive and intensive treatment setting.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports one of the County of Monterey Health Department 2025-2028 Strategic Plan

Goal(s): 2) Provide Exceptional Person-Centered Care through Accessible, Community-Focused Health Services. It also supports one of the ten essential public health services, specifically: (7) Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to legal form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by 2011 Realignment (50%) and Federal Financial Participation (50%). The funds for this Agreement for FY 2025-2026 are included in the Health Department's Behavioral Health (HEA012, Unit 8410) adopted budget. The funds for FY 2026-2027 will be included in the Health Department's Behavioral Health (HEA012, Unit 8410) FY 2026-2027 Requested Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Laura Henderson Management Analyst II, 235-7548
Approved By: Elsa Mendoza Jimenez, Director of Health Services, 755- 4526

Attachments:
Board Report
Agreement

Introduced: 8/5/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement for a term beginning on the date of execution of the Agreement to June 30, 2027 with Remi Vista, Inc., for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $295,260 for FY 2025-2026 and $295,260 for FY 2026-2027 for a total Agreement amount not to exceed $590,520; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($59,052) of the original Agreement amount, do not significantly change the scope of services and do not increase the total not to exceed amount over $649,572.

RECOMMENDATION:
It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement for a term beginning on the date of execution of the Agreement to June 30, 2027 with Remi Vista, Inc., for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $295,260 for FY 2025-2026 and $295,260 for FY 2026-2027 for a total Agreement amount not to exceed $590,520; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($59,052) of the original Agreement amount, do not significantly change the scope of services and do not increase the total not to exceed amount over $649,572.

SUMMARY/DISCUSSION:
Remi Vista, Inc., is a Short-term Residential Therapeutic Program (STRTP) providing residential and specialty mental health services including specialized and intensive care, support, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The goal of the program is to provide therapeutic interventions to treat and ameliorate the behavioral health symptoms and improve function so that children and adolescents may move to a less restrictive and intensive treatment setting.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports one of the County of Monterey Health Department 2025-2028 Strategic Plan

Goal(s): 2) Provide Exceptional Person-Centered Care through Accessible, Community-Focused Health Services. It also supports one of the ten essential public health services, specifically: (7) Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to legal form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by 2011 Realignment (50%) and Federal Financial Participation (50%). The funds for this Agreement for FY 2025-2026 are included in the Health Department's Behavioral Health (HEA012, Unit 8410) adopted budget. The funds for FY 2026-2027 will be included in the Health Department's Behavioral Health (HEA012, Unit 8410) FY 2026-2027 Requested Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Laura Henderson Management Analyst II, 235-7548
Approved By: Elsa Mendoza Jimenez, Director of Health Services, 755- 4526

Attachments:
Board Report
Agreement

Docusign Envelope ID: 5EEEBC36-4EA9-4346-AC66-FACBA5138949

COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **REMI VISTA, INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Remi Vista, Inc. is a short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: BUDGET AND EXPENDITURE REPORT
EXHIBIT I: AUDITS AND AUDIT APPEALS
EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **Upon Execution** and shall remain in effect until **June 30, 2027**.

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B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement

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coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

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5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. ICD-10

1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

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VIII. PROGRAM INTEGRITY

A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

    a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

    b. A history of loss of license or felony convictions;

    c. A history of loss or limitation of privileges or disciplinary activity;

    d. A lack of present illegal drug use; and

    e. The application's accuracy and completeness

5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.

6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they

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will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.

7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.

C. SCREENING AND ENROLLMENT REQUIREMENTS

1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))

2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))

3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

XI. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).

D. Continuity of Care

CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

E. Network Adequacy

1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).

2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.

3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.

4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

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F. Practice Guidelines

1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

   a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

   b. They consider the needs of the clients;

   c. They are adopted in consultation with contracting health care professionals; and

   d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

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2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

    a. Complete written description of event including outcome;

    b. Written report of CONTRACTOR's investigation and conclusions;

    c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

J. Client Informing Materials

1. Basic Information Requirements

    a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.

    b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

    c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.

    d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3)).

    e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:

        i. The format is readily accessible;

        ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

        iii. The information is provided in an electronic form which can be electronically retained and printed;

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iv. The information is consistent with the content and language requirements of this agreement;

v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

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iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

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iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

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XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall

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accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer

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authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services

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rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XVI. BUDGET

CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of

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grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

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D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable

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notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;

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2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement.

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Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the

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terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY	**CONTRACTOR**
Melanie Rhodes Behavioral Health Bureau Chief 1270 Natividad Road Salinas, CA 93906 (831) 755-4580	Stephanie Holmes, CEO Remi Vista, Inc. P.O. Box 494100 Redding, CA 96049 (530) 245-5805

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY	**CONTRACTOR**
By: _____ Department Head	**REMI VISTA, INC.** **CONTRACTOR NAME** Contractor's Business Name *
Date: _____	By: DocuSigned by: Paul Burdett E6050AE6BF614B5... (Signature of Chair, President, or Vice-President) *
Approved as to Form [1]	**PAUL BURDETT, PRESIDENT** Name and Title
By: DocuSigned by: Kevin Serrano CF464EA4829E4B5... County Counsel	Date: 7/31/2025
Date: 7/31/2025	
Approved as to Fiscal Provisions[2]	
By: DocuSigned by: Patricia Ruiz E79EF64E57454F6... Auditor-Controller's Office	By: Signed by: AEC2979B703F407... (Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *
Date: 8/1/2025	**STEPHANIE HOLMES, CEO** Name and Title
Reviewed as to Liability Provisions[3]	Date: 7/31/2025
By: _____ Risk Management	
Date: _____	

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

Remi Vista, Inc.
2701 Park Marina Drive
Redding, CA 96001
Phone: (530) 245-5805

II. PROGRAM GOALS AND OBJECTIVES

A. PROGRAM NARRATIVE

CONTRACTOR is licensed by the California State Department of Social Services as a Short-Term Residential Therapeutic Program (STRTP) and maintains Mental Health Program Approval and Medi-Cal certification to provide an integrated program of specialized and intensive care, services and supports, specialty mental health services, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The STRTP is intended for children whose behavioral and therapeutic needs are not able to be met in a home-based family setting, even with the provision of supportive services, and who require the level of supervision and clinical interventions provided by a STRTP.

Children and youth requiring STRTP care need a multi-faceted approach of care. It is expected that services will be provided within the context and implementation of the Integrated Core Practice Model (ICPM) as outlined in the Katie A. Settlement. The ICPM is a comprehensive model for serving children and youth in need. The ICPM Guide publication in the Medi-Cal Manual available through the Department of Health Care Services defines the ICPM as, "a set of practices and principles that promotes a set of values shared by all who seek to support children, youth, and families involved in child-serving agencies including, but not limited to, the child welfare system, special education, probation, drug and alcohol, and other health and human services agencies or legal systems with which the child or youth is involved".

B. PROGRAM GOALS

a. Provide trauma-informed therapeutic interventions and integrated programming designated to treat and ameliorate the behavioral health symptoms and improve functioning.
b. Provide a range of services, of varying intensity, tailored to the individual needs of the child, which can be adjusted during his or her stay in the program as they are meeting goals and improving functioning.
c. Provide mental health interventions so that children and adolescents may move to less restrictive/intensive treatment settings.
d. Child/youth develop effective problem-solving and coping skills to resolve behavioral and emotional problems, improving relationships, and overall functioning.

C. PROGRAM OBJECTIVES

a. CONTRACTOR shall provide residential and specialty mental health services to eligible Monterey County youth.

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i. Client meets the STRTP Placement Criteria pursuant to WIC sections 4096 and 11462.01.
ii. Treatment will be available to every client according to their specific needs and prescribed in a manner consistent with their treatment plans. Psychotropic medication will be made available through psychiatric consultation and routinely monitored.
iii. Services will be strength-based, individualized, and will consider each client's age and appropriate developmental needs, maturational level, culture, language, family values and structure, educational functioning level, and physical health.
iv. Service provision meets medical necessity criteria (Title 9, California Code of Regulations (CCR), Ch. 11, Sections 1830.205 and 1830.210) as indicated in the Case Plan to meet individual goal
v. Services shall be appropriate for the needs of youth involved in the Child Welfare and/or Juvenile Justice systems; trauma exposed; the Lesbian, Gay, Bisexual, Trans-gender, Queer and/or Questioning (LGBTQ); and Special Education communities.

b. CONTRACTOR will receive referrals/approvals only through the COUNTY Inter-Agency Placement Committee (IPC) or Court Order. All referrals for services will be assessed for eligibility according to the following criteria:
   i. Evidence of symptoms of a mental health problem which meet the criteria for DSM 5 or the 10th revision of the international Statistical Classification of Disease and Related Health Problems (ICD-10) diagnosis as an included diagnosis in Title 9, CCR, Ch. 11, Section 1830.205
   ii. Evidence of impaired functioning in one or more of the areas of self-care, danger to harm self, behavior towards others, family functioning, school performance, moods/emotions, substance use, and/or cultural adjustment.

c. CONTRACTOR shall maintain staffing requirement:
   i. Staff meet the minimum licensing requirements as set forth in CCR Title 9, Title 19, Title 22, and Medi-Cal regulations
   ii. Psychiatric services will be available to support clients ages 6-18 and the ability to provide treatment to clients with co-occurring disorders as part of the service continuum.
   iii. Staff shall be appropriately trained and meet the qualifications of the Licenses Practitioner of the Healing Arts (LPHA) as well as meet discipline specific relevant State and local building and safety requirements.
   iv. Provide ongoing clinical supervision to practitioners involved in direct service to clients.
   v. Services shall be culturally and linguistically appropriate for the target population. At a minimum. Services shall be made available in the two (2) threshold languages (English and Spanish).

d. CONTRACTOR shall coordinate care planning efforts with other child-serving agencies and institutions involved in delivering services to the child and family to ensure comprehensive and consistent care.

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e. CONTRACTOR shall utilize the Child and Adolescent Needs and Strengths (CANS) assessment tool
   i. The CONTRACTOR will adhere to the Monterey County Behavioral Health CANS/ANSA/PSC-35 policy: https://www.co.monterey.ca.us/home/showdocument?id=87702
   ii. CANS will be administered as appropriate to clients to support decision making and treatment planning, facilitate quality improvement, and monitor the outcomes of services.
   iii. CONTRACTOR is responsible for training, certifying, and annually recertifying their staff on the CANS Comprehensive 5+. In addition, if the CONTRACTOR provides services to children ages 0-5, the CONTRACTOR is responsible for training, certifying, and annually re-certifying their staff on the CANS: Early Childhood.
   iv. CONTRACTOR shall maintain staff as CANS Trainers to ensure sustainability and that CANS principles and philosophy are integrated into clinical practice.
   v. CONTRACTOR will establish an online account with Pared Foundation to access online CANS trainings and certification and set goals towards transitioning back to lower level of care.

f. CONTRACTOR shall use the Child and Family Team (CFT) process to identify team members, client needs and services and set goals toward transitioning back to lower level of care.
   i. A CFT is a highly facilitated process, and it is only a CFT meeting if decisions about goals and strategies to achieve them are made with involvement of the child and family members.
   ii. After January 1, 2017, a child or youth is required to have a CFT within the first sixty (60) days of entering into the child welfare or probation foster care placement. As defined in Welfare and Institutions Code (WIC), Section 16501, a CFT is also required for those children and youth residing in a group home or STRTP placement with an existing Case Plan. Best practice dictates that meetings should occur as soon as possible for purposes, including but not limited to, case planning, placement determination, emancipation planning and/or safety planning. The CONTRACTOR providing mental health services to children in the child welfare or probation system may participate in the CFT.
   iii. CONTRACTOR shall provide client progress for the CFT to determine appropriate or ongoing placement, if necessary.
   iv. The CONTRACTOR will make CANS data available for the CFT to determine appropriate or ongoing placement, if necessary.

g. The CONTRACTOR shall follow guidelines when the client is transitioning to a new program or lower level of placement.
   i. Coordinate with the new provider to assure understanding of client's strengths, needs, supports, and goals.
   ii. Provide copies of Care Plan, Narrative Summary, and Assessment information to the new provider.
   iii. Provide notification to COUNTY of any hospitalization.

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D. OUTCOME OBJECTIVES

A. Reduce the level of functional impairment of child or youth
   a. Data Source: CANS Data

B. Reduce Hospitalizations
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report the number of clients in placement who have been hospitalized.

C. Timely return to lower level of care
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report length of stay and successful program completions with at least 80% of admissions

E. TREATMENT SERVICES

A. Mode of Service: Outpatient

B. Contracted units of services by service type:
Contractor is Medi-Cal certified to provide the following Specialty Mental Health Services, as medically necessary for up to **four (4)** youth for fiscal year (FY) 25-26 and **four (4)** youth fiscal year (FY) 26-27. A Unit of Service (UOS) is per minute:

Fiscal Year (FY) 2025-2026

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60	10,000
Mental Health Rehab Specialist			88,000
Total Units			**98,000**

Fiscal Year (FY) 2026-2027

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60	10,000
Mental Health Rehab Specialist			88,000
Total Units			**98,000**

Services shall be coded under Avatar program Name/Code

	Address	Code
House #1	**10387 Porta Dego Way, Redding, CA 96003**	**TBD**

There is no limitation on the mix of units of service other than the maximum contract dollar amount found in Exhibit B of this contract.

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D. Delivery Sites(s):
The CONTRACTOR'S services described hereunder shall be provided in a licensed STRTP site(s). CONTRACTOR shall not place children at a service delivery site not listed.

Site	Address
House #1	**10387 Porta Dego Way, Redding, CA 96003**

E. Hours of Operation:
The STRTP will operate a twenty-four (24) hours per day, (7) days per week residential program, and offer specialty mental health services seven (7) days per week.

F. TARGET POPULATION

Monterey County children/youth who are full scope Medi-Cal eligible and have been screened through the County IPC or by Court Order. The current Agreement is for **four (4)** eligible residents for Fiscal Year 2025-2026 and **four (4)** eligible residents for Fiscal Year 2026-2027 of Monterey County. Any additional eligible residents of Monterey County referred to the program will require an amendment to this Agreement.

Fiscal Year (FY)	Number of Placements per FY
2025-2026	4
2026-2027	4

G. FINANCIAL ELIGIBILITY

All eligible full-scope Medi-Cal Monterey County Residents who have been authorized and referred by the Monterey County Behavioral Health (MCBH) Case Manager. The Case Manager will ensure full scope Medi-Cal has been established and verified prior to the referral. Full scope Medi-Cal eligibility will be determined by Medi-Cal aid code as defined in Title XXI of the Social Security Act and the State Department of Mental Health latest Aid Codes Master Chart. The Chart can be found at the following web URL: https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx.
The contractor must monitor referrals and verify Medi-Cal eligibility for each client referred by checking on the website: https://www.medi-cal.ca.gov/MCWebPub/Login.aspx#. Any discrepancies of Medi-Cal eligibility must be communicated immediately to the Contract Monitor and resolved. Services provided to non-Medi-Cal eligible children will not be reimbursed to contractor unless the Deputy Director of Behavioral Health has approved for these services in writing.

H. LIMITATION OF SERVICE/PRIOR AUTHORIZATION

A. Referral for Admission:
Regular referrals of admission to this program will be initiated exclusively by screening and approval by an Interagency Placement Committee (IPC). Admission to the program will involve youth who are voluntary participants or who are wards or dependents of the

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court. Screening criteria will be based on degree of emotional disturbance, a designated funding source, and the inability to utilize a less restrictive placement. Admission will be the sole authority of the CONTRACTOR.

B. Emergency Placement Admission:
CONTRACTOR may admit children and youth into the program under emergency placement determination by placing Agency. CONTRACTOR shall provide comprehensive mental health assessments for Medi-Cal to determine if they meet medical necessity for SMHS and to determine if the individual meets criteria for STRTP placement within 72 hours of placement. CONTRACTOR shall notify County of placement and request IPC review and approval. County will notify CONTRACATOR of placement determination. If the IPC determines at any time that the placement, including an emergency placement, is not appropriate, it shall transmit the disapproval in writing to the CONTRACTOR.

C. Service Authorization
Mental Health services including Therapeutic Behavioral Services, require prior authorization. Medication support, beyond two visits per month, requires prior authorization. The contracted duration of treatment is limited to one year; any extension requires consultation with the MCBH Case Manager and approval of the Contract Monitor.

I. CLIENT DESCRIPTION/CHARACTERISTICS

The population served are children/youth with one or all of the following and are unsuccessful in stabilizing at a lower level of care.

A. Severe acting out episodes
B. History of self-destructive behavior
C. Catastrophic reactions to everyday occurrences and/or
D. History of inpatient hospitalization

Individuals served meet the following criteria for medical necessity (diagnostic, impairment, and intervention related):

A. Diagnostic Criteria:
The focus of the service should be directed to functional impairments related to an Included Diagnosis.

B. Impairment Criteria:
The client must have at least one of the following as result of the mental disorder(s) identified in the Diagnostic Criteria (A):

1. A significant impairment in an important area of life functioning, or
2. A probability of significant deterioration in an important area of life functioning, or
3. Children also quality if there is a probability that the child will not progress developmentally as individually appropriate. Children covered under EPSDT qualify if they have a mental disorder that can be corrected or ameliorated.

C. Intervention Related Criteria (must have all three):

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1. The focus of the proposed intervention is to address the condition identified in impairment criteria (B) above, and
2. It is expected the proposed intervention will benefit the consumer by significantly diminishing the impairment, or preventing significant deterioration in an important area of life functioning; and/or for children it is probably the child will be enabled to progress developmentally as individually appropriate (or if covered by EPSDT), the identified condition can be corrected or ameliorated),
3. The condition would not be responsive to physical healthcare-based treatment.

J. LEGAL STATUS

Voluntary or juvenile dependents and wards (W&I Code, Sections 300 et seq. and Sections 601 and 602 et seq.)

K. COVERAGE

Mental Health Services and Medical Support will be as designated on the service plan.

L. REPORTING REQUIREMENTS

A. CONTRACTOR shall complete the CANS for children/youth ages 6 through 18, and the Pediatric Symptom Checklist (PSC-35) for children ages 3 through 18 at the start of treatment, and complete a reassessment every 6 months, and at time of discharge. CONTRACTOR shall submit progress made on mental health goals as measured by CANS and PSC-35 no later than the last day of the following service month.
B. CONTRACTOR will submit reports on the following outcomes data no later than thirty (30) days following the end of each quarter to the COUNTY Designated Contract Monitor:
   a. Total number of children/youths served
   b. Number of CFT meetings attended per quarter
   c. Number of children/youths who have returned to lower levels of care
   d. Report on each Outcome Objective in Section III.

M. DESIGNATED CONTRACT MONITOR

Liz Perez-Cordero, Psy. D.
Behavioral Health Services Manager II
Monterey County Behavioral Health Bureau
Salinas, CA 93901

(831) 755-8430

III. SERVICE PROVISIONS

A. Certification of Eligibility

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CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS under Medi-Cal.

B. Access to Specialty Mental Health Services

1. In collaboration with the COUNTY, Contractor will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (a) or (b) below. If a client under age 21 meets the criteria as described in (a) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (b) below.

   a. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

   b. The client has at least one of the following:

      a. A significant impairment,

      b. A reasonable probability of significant deterioration in an important area of life functioning,

      c. A reasonable probability of not progressing developmentally as appropriate, or

      d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

      e. The client's condition listed above is due to one of the following:

         a. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

         b. A suspected mental health disorder that has not yet been diagnosed.

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c. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (a) and (b) below:

a. The client has one or both of the following:

i. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

ii. A reasonable probability of significant deterioration in an important area of life functioning.

b. The client's condition as described in paragraph (a) is due to either of the following:

i. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

ii. A suspected mental disorder that has not yet been diagnosed.

C. Additional Clarifications

1. Criteria

a. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:

i. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
ii. The service was not included in an individual treatment plan; or

iii. The client had a co-occurring substance use disorder.

2. Diagnosis Not a Prerequisite

a. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

D. Medical Necessity

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1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.

2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

E. Coordination or Care

1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.

2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.

3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

F. Co-Occurring Treatment and No Wrong Door

1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic

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relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.

2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

   a. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.

   b. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

IV. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. Services Authorization

1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.

2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.

3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.

4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.

5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

B. Documentation Requirements

1. CONTRACTOR will follow all documentation requirements as specified in Article 4.2-4.8 inclusive in compliance with federal, state and COUNTY requirements.

2. All CONTRACTOR documentation shall be accurate, complete, and legible, shall list each date of service, and include the face-to-face time for each service. CONTRACTOR shall document travel and documentation time for each service separately from face-to-face time and provide this information to COUNTY upon

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request. Services must be identified as provided in-person, by telephone, or by telehealth.

3. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

C. Assessment

1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.

2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.

3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.

4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

D. Problem List

1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.

3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.

4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.

5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a

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problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

E. Treatment and Care Plans

1. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

F. Progress Notes

1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.

4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.

5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

G. Transition of Care Tool

1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.

2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.

3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at: https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided

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form. The only exception to this requirement is when the tool is translated into languages other than English.

H. Telehealth

1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

   https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

V. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events

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- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Provisional Rates

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

PROVISIONAL RATE: NEGOTIATED RATE

CONTRACTOR shall be reimbursed the following negotiated rates for services. Rendering Staff Type shall provide services according to the Monterey County Behavioral Health Specialty Mental Health Services Documentation Manual, Scope of Practice.

CONTRACTOR may exceed units by clinician within a program or total contract as long as the annual program not-to-exceed (NTE) or annual maximum County obligation is not exceeded.

The following program services will be paid for actual usage in arrears, not to exceed the negotiated rates for a total amount not to exceed **$590,520** *(rounded to the nearest dollar)* for **FY 2025-2027***)*:

Fiscal Year (FY) 2025-26 ***(4 placements)***					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000	$3.83	$38,300
Mental Health Rehab Specialist			88,000	$2.92	$256,960
Total Maximum Amount FY 2025-26					**$295,260**

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Fiscal Year (FY) 2026-27 *(4 placements)*					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000	$3.83	$38,300
Mental Health Rehab Specialist			88,000	$2.92	$256,960
Total Maximum Amount FY 2026-27					**$295,260**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Rate, which is based on the most recent State's Medi-Cal Behavioral Health Service Fee Schedules established by the State's Department of Health Care Services. In no case shall payments to CONTRACTOR exceed County's Maximum Rates. In addition to the rate limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded

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program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Behavioral Health Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

   CONTRACTOR shall submit via email a monthly claim using Exhibit G, Behavioral Health Invoice Form in Excel format with electronic signature along with supporting documentation, as may be required by the COUNTY for services rendered to:

   MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the

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certified invoice.

H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$590,520** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
FY 2025/2026	$295,260
FY 2026/2027	$295,260
TOTAL MAXIMUM COUNTY OBLIGATION:	**$590,520**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

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VI. BILLING AND PAYMENT LIMITATIONS

B. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

C. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H and 2 C.F.R. § 230. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

D. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line-item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

E. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

F. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

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B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services are submitted by CONTRACTOR to COUNTY.
CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in undertaking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal claims or other State required claims data within the thirty (30) calendar daytime frame(s) as prescribed

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by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section II (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

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K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Health Care Services guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third-party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated fee for service program revenue, under this Agreement, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) showing all such non-reported revenue.

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2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

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XI. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C:
CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	REMI VISTA, INC.
	Business Name of Contractor
DocuSigned by: Paul Burdett E6058AE6BF614B5...	**PAUL BURDETT**
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/31/2025	PRESIDENT
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons.

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Name	REMI VISTA, INC	
Name of Designee	PAUL BURDETT	
Title of Designee	PRESIDENT	
Street: 2701 Park Marina Drive		
City: Redding	State: CA	Zip: 96001
IRS Employer Identification Number	94-2148477	
I certify that the above information is complete and correct to the best of my knowledge and belief. DocuSigned by: Paul Burdett Board president E6058AE6BF614B5... Signature & Title of Contractor	Date 7/31/2025	

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EXHIBIT E:
ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement
- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration
- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access
- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.

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- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials,

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resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

DocuSigned by:
Paul Burdett
E6058AE6BF614B5...
Signature of Authorized Representative

7/31/2025
Date

REMI VISTA, INC.
Contractor (Organization Name)

PAUL BURDETT
Name of Authorized Representative

PRESIDENT
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective **July 1, 2025** ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and **REMI VISTA, INC.** ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R.

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§ 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504I(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504I(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504I(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been

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breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410I, which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non- permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may

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include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

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(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 <u>Business Associate Acknowledgment</u>.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de- identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

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(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504I(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and

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(v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Remi Vista, Inc.
Attn: Stephanie Holmes
P.O. Box 494110
Redding, CA 96049
Phone: (530) 245-5805
Email: sholmes@remivista.org

If to Covered Entity, to:

County of Monterey Health Department Attn:
Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

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5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

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Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

I. BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Paul Burdett E6058AE6BF614B5...	By:
Print Name: **PAUL BURDETT**	Print Name: **Elsa M. Jimenez**
Print Title: **PRESIDENT**	Print Title: Director of Health Services
Date: 7/31/2025	Date:

January, 2024

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EXHIBIT G: Behavioral Health Invoice Form

		Invoice Number :	
Contractor :			
Address Line 1		**County PO No.:**	
Address Line 2			
		Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:		**Final Invoice :**	(Check if Yes)
BH Division :	Mental Health Services	BH Control Number	

Payment Provisions	Total Maximum Amount FY 2023-24	Dollar Amount Requested this Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
				$ -	
				$ -	
				$ -	
TOTALS	$ -	$ -	$ -	$ -	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to:	MCHDBHFinance@countyofmonterey.gov	Behavioral Health Authorization for Payment	
		Authorized Signatory	Date

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EXHIBIT H: BUDGET AND EXPENDITURE REPORT

CONTRACTOR'S NAME

BUDGET AND EXPENDITURE REPORT

For Monterey County - Behavioral Health

Fiscal Year _____

Program Name: _____ **AVATAR Program(s):** _____

Unduplicated Number of Clients Served: _____ **Address:** _____

Service Description	Mode of Service	Service Function Code	Total Units of Service	Amount Due from the COUNTY	Estimated Medi-Cal Units of Service		Estimated Federal Financial Participation (FFP) Revenue
							$ -
				Approved Budget		Actual for 6 Months	Actual Year-to-Date
A. PROGRAM REVENUES							
Monterey County Funds (Monterey County's Use):							
	Provisional Rates						
	Estimated Federal Financial Participation (FFP)			$ -			
	Cash Flow Advances						
						$ -	
Total Requested Monterey County Funds						$ -	$ -
Other Program Revenues							
TOTAL PROGRAM REVENUES (equals Allowable Costs)				$ -		$ -	$ -
	B. ALLOWABLE COSTS - Allowable expenditures for the care and services of placed Monterey County clients allocated in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories list. CONTRACTOR is expected to be able to identify direct and indirect costs directly from its financial statements.						
	I. Direct Cost Centers - a direct cost, as defined in OMB A-87, is a cost that can be identified specifically with a particular final cost objective.						
	A. Mode Costs (Direct Services)			Approved Budget		Actual for 6 Months	Actual Year-to-Date
1	Salaries and wages (please fill out Supplemental Schedule of Salaries and Wages)						

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2	Payroll taxes				
3	Employee benefits				
4	Workers Compensation				
5	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)				
6	Temporary Staffing				
7	Flexible Client Spending (please provide supporting documents)				
8	Travel (costs incurred to carry out the program)				
9	Employee Travel and Conference				
10	Communication Costs				
11	Utilities				
12	Cleaning and Janitorial				
13	Maintenance and Repairs - Buildings				

		Approved Budget	Actual for 6 Months	Actual Year-to-Date
14	Maintenance and Repairs - Equipment			
15	Printing and Publications			
16	Memberships, Subscriptions and Dues			
17	Office Supplies			
18	Postage and Mailing			
19	Medical Records			
20	Data Processing			
21	Rent and Leases - equipment			
22	Rent and Leases - building and improvements (please identify the property address and method of cost allocation)			
23	Taxes and assessments (Please identify the property address and method of cost allocation)			
24	Interest in Other Long-term debts (please identify the property address and method of cost allocation)			
25	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County and must meet the criteria of a direct cost)			
26	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
27	Miscellaneous (please provide details)			
28	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
29	**Total Mode Costs**	$ -	$ -	$ -
	B. Administrative Costs - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided.			

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30	Salaries and Benefits			
31	Supplies			
32	Others - please provide details. Expense must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.			
33	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
34	**Total Administrative Costs**	**$ -**	**$ -**	**$ -**
35	**TOTAL DIRECT COSTS**	**$ -**	**$ -**	**$ -**

II Indirect Cost Centers - include all costs that are incurred for a common or joint purpose benefitting more than one final cost objective, that are not readily assignable to the cost objective specifically benefitted without effort disproportionate to the results achieved. The indirect cost centers correspond directly with the expense accounts defined in the Accounting Standards and Procedures for Counties, which is published by the California State Controller's Office.

	INDIRECT COSTS	**Approved Budget**	**Actual for 6 Months**	**Actual Year-to-Date**
36	Equipment (purchase price of less than $5000)			
37	Rent and Leases - equipment			
38	Rent and Leases - building and improvements			
39	Taxes and assessments			
40	Insurance and Indemnity			
41	Maintenance - equipment			
42	Maintenance - building and improvements			
43	Utilities			
44	Household Expenses			
45	Interest in Bonds			
46	Interest in Other Long-term debts			
47	Other interest and finance charges			
		Approved Budget	**Actual for 6 Months**	**Actual Year-to-Date**
48	Contracts Administration			
49	Legal and Accounting (when required for the administration of the County Programs)			
50	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
51	Data Processing			
52	Personnel Administration			
53	Medical Records			
54	Other Professional and Specialized Services			
55	Transportation and Travel			
56	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			
57	**Total Indirect costs**	**$ -**	**$ -**	**$ -**

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63 Total Allowable Costs		$ -	$ -	$ -
COST REPORT INFORMATION:				
64	Land			
65	Buildings and Improvements			
66	Equipment (purchase price of $5000 or more)			
67	Total	0		

We hereby certify to the best of our knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature **Date** **Finance Director's Signature** **Date**

Supplemental Schedule of Salaries and Wages - Mode Cost (Direct Services)

TITLE OF POSITION	Annual Salary/Wage	FTE (Full Time Employee)	TOTAL
Sample: Social Worker	$ 45,000	0.75	$ 33,750
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
Total Salaries and Wages			$ -

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EXHIBIT I: AUDITS AND AUDIT APPEALS

I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

   1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

   2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

   3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

   1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Notwithstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

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2. Deducted from future claims over a period not to exceed six (6) months;

3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

(The remainder of this page is left intentionally blank)

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EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

Purpose: Demonstrate CONTRACTOR's telehealth compliance with federal & state telehealth laws

A. **Federal Telehealth Law**

There are no specific federal laws governing the delivery of telehealth related to compliance, but there are numerous laws requiring telehealth reimbursement parity with face-to-face services. However, in parity with on-ground mental health services, Telehealth 'covered entities' are required to uphold federally-established HIPAA regulations according to the Health Insurance Portability and Accountability Act of 1996.

HIPAA Regulations: In addition to standard operations, HIPAA security guidelines for the electronic delivery of telehealth services have been established by HITECH (Health Information Technology for Economic and Clinical Health) as part of the American Recovery and Reinvestment Act of 2009 (ARRA). Specifically, CONTRACTOR Telehealth technologies and operational standards conform to HITECH guidelines for HIPAA compliance through:

1. **Technology Security**
    a. IETF-standard Secure Sockets Layer (SSL) and Transport Layer Security (TLS) protocols are used to protect all communication between endpoints. To provide maximum protection against eavesdropping, modification, or replay attacks, the only SSL cipher suite supported for non-Web-site TCP connections is 1024-bit RSA with 128-bit AES-CBC and HMAC-SHA1
    b. End-to-end 128 bit encryption that protects both ends of the connection
    c. Multi-layer cryptography, server, certificate, and user authentication prevent unauthorized access
2. **Role-based Security Features**
    a. Platform user permissions are centrally assigned to approved providers by the CONTRACTOR's Director of Operations only (controlled access to platform)
    b. Each session has a uniquely coded session ID that is not reusable
    c. No one else can enter the session uninvited (including staff members)
3. **Security Monitoring**
    a. occurs simultaneously on three levels, 1) CONTRACTOR Provider; 2) Facility; and 3) Behavioral Health
    b. Provider has on-screen monitoring tools to see who is connected to the session at all times
    c. Facility and BH monitors daily activity plus comprehensive data logs to ensure appropriate, secure use of system
    d. CONTRACTOR Data Centers are physically guarded and continually monitored for security and performance, guarding against cyber attacks
4. **Information Access**
    a. Communications and user identities are NEVER visible to any third party

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b. User logs and activity is not visible to anyone but the CONTRACTOR Director of Operations

c. Sessions are not recorded

d. Contingency and Emergency Operations Plan

5. **Stringent Policies and Procedures**

a. Extensive training plus CONTRACTOR policies and procedures for clinicians governing use of the platform, their behavior online, and how they access and manage client information.

b. We also work closely with clients to ensure their compliance to HIPAA confidentiality measures (such as confirming no one can overhear their session, confirming they are in a secure and private location, etc.

B. **California Telehealth Law**

California was one of the earliest adopters of a state telehealth policy with the passing of The Telemedicine Development Act of 1996, which established a legal requirement to recognize telehealth services as equivalent to face to face services, and for such services to be reimbursable by both Medi-Cal and Medicare, as well as commercial insurers.

Current and relevant CA telehealth codes/laws include:

• **Cal. Health & Safety Code § 1374.13. (c)** - On and after January 1, 1997, no health care service plan contract that is issued, amended, or renewed shall require face-to-face contact between a health care provider and a patient for services appropriately provided through telemedicine, subject to all terms and conditions of the contract agreed upon between the enrollee or subscriber and the plan.

• **Cal. Health & Safety Code § 14132.72. (a)** - It is the intent of the Legislature to recognize the practice of telemedicine as a legitimate means by which an individual may receive medical services from a health care provider without person-to-person contact with the provider.

• **AB 415 (2012)** – Was passed to facilitate the advancement of telehealth as way of providing health services. The law established that telehealth services may consist of a real-time (synchronous) interaction between a patient and a health care provider located at a distant site or may involve the transmission of a patient's medical information from patient's site to a distant site without the presence of the patient ("asynchronous store and forward"). The law also affirmed that the use of telehealth includes allied health professions such as mental health practitioners. (See Cal. Bus. & Prof. Code § 2290.5).

• **AB 809 (2015)** - Provided that informed consent for telehealth services may be verbal only, although USCTH still obtains written consent and acknowledgement of telehealth service delivery as a "best practice".

Additional Important Telehealth Facts:

California law considers telehealth equivalent to in-person services ... Regulations established by The Telemedicine Development Act of 1996 focus on the prompt and equivalent payment for telemedicine services by contracting entities to uphold the law's intention that **telemedicine/telehealth be recognized as a legitimate means of service delivery the same as face-to-face services for all services that are possible through a telehealth platform.**

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Allied health professions are covered under the law ... Please note that the language from the Telemedicine Development Act of 1996 (Senate Bill 1665) was updated in 2012 to "**telehealth**" instead of telemedicine and covers **allied health** professions in addition to medical services.

CMS has a history of paying for telehealth services ... For informational purposes, a recent article in *healthitoutcomes.com – May, 28, 2015* – states "Total reimbursements for telemedicine by the Centers for Medicare & Medicaid Services reached $13.9 million in 2014."

Introduced: 8/7/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement with Michigan House, Inc. for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $62,476 for FY 2024-2025 and $418,776 for FY 2025-2026 for a total Agreement amount not to exceed $481,252 for a term beginning February 12, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($48,125) of the original Agreement amount, do not significantly change the scope of services, and do not increase the total not to exceed amount over $529,377.

RECOMMENDATION:
It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement with Michigan House, Inc. for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth in the amount of $62,476 for FY 2024-2025 and $418,776 for FY 2025-2026 for a total Agreement amount not to exceed $481,252 for a term beginning February 12, 2025 through June 30, 2026; and
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SUMMARY/DISCUSSION:
Michigan House, Inc., is a Short-term Residential Therapeutic Program (STRTP) providing residential and specialty mental health services including specialized and intensive care, support, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The goal of the program is to provide therapeutic interventions to treat and ameliorate the behavioral health symptoms and improve function so that children and adolescents may move to a less restrictive and intensive treatment setting. This Agreement is retroactive to February 12, 2025, due to ongoing contract negotiations for Monterey County youth placed on an emergency basis. Emergency placements are conducted when current contracted providers are not able to provide the specialized residential and mental health needs of a child/youth.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or

terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports one of the County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 2) Provide Exceptional Person-Centered Care through Accessible, Community-Focused Health Services. It also supports one of the ten essential public health services, specifically: (7) Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to legal form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by 2011 Realignment (50%) and Federal Financial Participation (50%). The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year (FY) 2024-25 Adopted Budget. The funds for FY 2025-26 will be included in the Department's (HEA012, Unit 8410) Requested Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Laura Henderson, Management Analyst II, 235-7548
Approved By: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Agreement

Introduced: 8/7/2025

Current Status: Health Department - Consent

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BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
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- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

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- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Laura Henderson, Management Analyst II, 235-7548
Approved By: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Agreement

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **MICHIGAN HOUSE, INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Michigan House, Inc. is a short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: BUDGET AND EXPENDITURE REPORT
EXHIBIT I: AUDITS AND AUDIT APPEALS
EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **February 12, 2025** and shall remain in effect until **June 30, 2026**.

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B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement

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coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

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5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. ICD-10

1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

VIII. PROGRAM INTEGRITY

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A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

    a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

    b. A history of loss of license or felony convictions;

    c. A history of loss or limitation of privileges or disciplinary activity;

    d. A lack of present illegal drug use; and

    e. The application's accuracy and completeness

5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.

6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.

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7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.

C. SCREENING AND ENROLLMENT REQUIREMENTS

1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))

2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))

3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

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X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

   b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

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XI. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).

D. Continuity of Care

CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

E. Network Adequacy

1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).

2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.

3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.

4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

F. Practice Guidelines

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1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

   a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

   b. They consider the needs of the clients;

   c. They are adopted in consultation with contracting health care professionals; and

   d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

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2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

    a. Complete written description of event including outcome;

    b. Written report of CONTRACTOR's investigation and conclusions;

    c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

J. Client Informing Materials

1. Basic Information Requirements

    a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.

    b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

    c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.

    d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3)).

    e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:

        i. The format is readily accessible;

        ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

        iii. The information is provided in an electronic form which can be electronically retained and printed;

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iv. The information is consistent with the content and language requirements of this agreement;

v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

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iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

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iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

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XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall

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accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer

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authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services

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rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XVI. BUDGET

CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of

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grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

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D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable

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notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;

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2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement.

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Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the

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terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY	**CONTRACTOR**
Melanie Rhodes Behavioral Health Bureau Chief 1270 Natividad Road Salinas, CA 93906 (831) 755-4580	Garnett Fountain Michigan House, Inc. 1617 W. Shaw Ave., Suite B Fresno, CA 93711 (559) 347-8197

(The remainder of this page is left intentionally blank)

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/4/2025

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EE64E57454E6...
Auditor-Controller's Office

Date: 8/5/2025

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

MICHIGAN HOUSE, INC.
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: Garnett Fountain 4B6B3D43D7714E7...
(Signature of Chair, President, or Vice-President) *

GARNETT FOUNTAIN, ADMINISTRATOR, CEO, FOUNDER
Name and Title

Date: 8/4/2025

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

_____
Name and Title

Date: _____

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

Michigan House, Inc.
1617 W. Shaw Avenue, Suite B
Fresno, CA 93711
Phone: (559) 347-8197

II. PROGRAM GOALS AND OBJECTIVES

A. PROGRAM NARRATIVE

CONTRACTOR is licensed by the California State Department of Social Services as a Short-Term Residential Therapeutic Program (STRTP) and maintains Mental Health Program Approval and Medi-Cal certification to provide an integrated program of specialized and intensive care, services and supports, specialty mental health services, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The STRTP is intended for children whose behavioral and therapeutic needs are not able to be met in a home-based family setting, even with the provision of supportive services, and who require the level of supervision and clinical interventions provided by a STRTP.

Children and youth requiring STRTP care need a multi-faceted approach of care. It is expected that services will be provided within the context and implementation of the Integrated Core Practice Model (ICPM) as outlined in the Katie A. Settlement. The ICPM is a comprehensive model for serving children and youth in need. The ICPM Guide publication in the Medi-Cal Manual available through the Department of Health Care Services defines the ICPM as, "a set of practices and principles that promotes a set of values shared by all who seek to support children, youth, and families involved in child-serving agencies including, but not limited to, the child welfare system, special education, probation, drug and alcohol, and other health and human services agencies or legal systems with which the child or youth is involved".

B. PROGRAM GOALS

a. Provide trauma-informed therapeutic interventions and integrated programming designated to treat and ameliorate the behavioral health symptoms and improve functioning.
b. Provide a range of services, of varying intensity, tailored to the individual needs of the child, which can be adjusted during his or her stay in the program as they are meeting goals and improving functioning.
c. Provide mental health interventions so that children and adolescents may move to less restrictive/intensive treatment settings.
d. Child/youth develop effective problem-solving and coping skills to resolve behavioral and emotional problems, improving relationships, and overall functioning.

C. PROGRAM OBJECTIVES

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a. CONTRACTOR shall provide residential and specialty mental health services to eligible Monterey County youth.
   i. Client meets the STRTP Placement Criteria pursuant to WIC sections 4096 and 11462.01.
   ii. Treatment will be available to every client according to their specific needs and prescribed in a manner consistent with their treatment plans. Psychotropic medication will be made available through psychiatric consultation and routinely monitored.
   iii. Services will be strength-based, individualized, and will consider each client's age and appropriate developmental needs, maturational level, culture, language, family values and structure, educational functioning level, and physical health.
   iv. Service provision meets medical necessity criteria (Title 9, California Code of Regulations (CCR), Ch. 11, Sections 1830.205 and 1830.210) as indicated in the Case Plan to meet individual goal
   v. Services shall be appropriate for the needs of youth involved in the Child Welfare and/or Juvenile Justice systems; trauma exposed; the Lesbian, Gay, Bisexual, Trans-gender, Queer and/or Questioning (LGBTQ); and Special Education communities.

b. CONTRACTOR will receive referrals/approvals only through the COUNTY Inter-Agency Placement Committee (IPC) or Court Order. All referrals for services will be assessed for eligibility according to the following criteria:
   i. Evidence of symptoms of a mental health problem which meet the criteria for DSM 5 or the 10th revision of the international Statistical Classification of Disease and Related Health Problems (ICD-10) diagnosis as an included diagnosis in Title 9, CCR, Ch. 11, Section 1830.205
   ii. Evidence of impaired functioning in one or more of the areas of self-care, danger to harm self, behavior towards others, family functioning, school performance, moods/emotions, substance use, and/or cultural adjustment.

c. CONTRACTOR shall maintain staffing requirement:
   i. Staff meet the minimum licensing requirements as set forth in CCR Title 9, Title 19, Title 22, and Medi-Cal regulations
   ii. Psychiatric services will be available to support clients ages 6-18 and the ability to provide treatment to clients with co-occurring disorders as part of the service continuum.
   iii. Staff shall be appropriately trained and meet the qualifications of the Licenses Practitioner of the Healing Arts (LPHA) as well as meet discipline specific relevant State and local building and safety requirements.
   iv. Provide ongoing clinical supervision to practitioners involved in direct service to clients.
   v. Services shall be culturally and linguistically appropriate for the target population. At a minimum. Services shall be made available in the two (2) threshold languages (English and Spanish).

d. CONTRACTOR shall coordinate care planning efforts with other child-serving agencies and institutions involved in delivering services to the child and family to ensure comprehensive and consistent care.

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e. CONTRACTOR shall utilize the Child and Adolescent Needs and Strengths (CANS) assessment tool
   i. The CONTRACTOR will adhere to the Monterey County Behavioral Health CANS/ANSA/PSC-35 policy: https://www.co.monterey.ca.us/home/showdocument?id=87702
   ii. CANS will be administered as appropriate to clients to support decision making and treatment planning, facilitate quality improvement, and monitor the outcomes of services.
   iii. CONTRACTOR is responsible for training, certifying, and annually recertifying their staff on the CANS Comprehensive 5+. In addition, if the CONTRACTOR provides services to children ages 0-5, the CONTRACTOR is responsible for training, certifying, and annually re-certifying their staff on the CANS: Early Childhood.
   iv. CONTRACTOR shall maintain staff as CANS Trainers to ensure sustainability and that CANS principles and philosophy are integrated into clinical practice.
   v. CONTRACTOR will establish an online account with Pared Foundation to access online CANS trainings and certification and set goals towards transitioning back to lower level of care.

f. CONTRACTOR shall use the Child and Family Team (CFT) process to identify team members, client needs and services and set goals toward transitioning back to lower level of care.
   i. A CFT is a highly facilitated process, and it is only a CFT meeting if decisions about goals and strategies to achieve them are made with involvement of the child and family members.
   ii. After January 1, 2017, a child or youth is required to have a CFT within the first sixty (60) days of entering into the child welfare or probation foster care placement. As defined in Welfare and Institutions Code (WIC), Section 16501, a CFT is also required for those children and youth residing in a group home or STRTP placement with an existing Case Plan. Best practice dictates that meetings should occur as soon as possible for purposes, including but not limited to, case planning, placement determination, emancipation planning and/or safety planning. The CONTRACTOR providing mental health services to children in the child welfare or probation system may participate in the CFT.
   iii. CONTRACTOR shall provide client progress for the CFT to determine appropriate or ongoing placement, if necessary.
   iv. The CONTRACTOR will make CANS data available for the CFT to determine appropriate or ongoing placement, if necessary.

g. The CONTRACTOR shall follow guidelines when the client is transitioning to a new program or lower level of placement.
   i. Coordinate with the new provider to assure understanding of client's strengths, needs, supports, and goals.
   ii. Provide copies of Care Plan, Narrative Summary, and Assessment information to the new provider.
   iii. Provide notification to COUNTY of any hospitalization.

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D. OUTCOME OBJECTIVES

A. Reduce the level of functional impairment of child or youth
   a. Data Source: CANS Data

B. Reduce Hospitalizations
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report the number of clients in placement who have been hospitalized.

C. Timely return to lower level of care
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report length of stay and successful program completions with at least 80% of admissions

E. TREATMENT SERVICES

A. Mode of Service: Outpatient

B. Contracted units of services by service type:
Contractor is Medi-Cal certified to provide the following Specialty Mental Health Services, as medically necessary for up to **three (3)** youth for fiscal year (FY) 24-25 and **five (5)** youth fiscal year (FY) 25-26. A Unit of Service (UOS) is per minute:

Fiscal Year (FY) 2024-2025

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60	8,360
Mental Health Rehab Specialist			9,240
Total Units			**17,600**

Fiscal Year (FY) 2025-2026

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
Psychiatrist/Contracted Psychiatrist	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)			45,600
Mental Health Rehab Specialist			50,400
Total Units			**106,000**

Services shall be coded under Avatar program Name/Code

	Address	Code
House #1	**1224 E. Michigan Ave, Fresno, CA 93704**	**TBD**
House #2	**1209 S. Hughes Street, Fresno, CA 93706**	**TBD**

There is no limitation on the mix of units of service other than the maximum contract dollar amount found in Exhibit B of this contract.

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D. Delivery Sites(s):
The CONTRACTOR'S services described hereunder shall be provided in a licensed STRTP site(s). CONTRACTOR shall not place children at a service delivery site not listed.

Site	Address
House #1	**1224 E. Michigan Ave, Fresno, CA 93704**
House #2	**1609 S. Hughes Street, Fresno, CA 93706**

E. Hours of Operation:
The STRTP will operate a twenty-four (24) hours per day, (7) days per week residential program, and offer specialty mental health services seven (7) days per week.

F. TARGET POPULATION

Monterey County children/youth who are full scope Medi-Cal eligible and have been screened through the County IPC or by Court Order. The current Agreement is for the **three (3)** eligible residents for Fiscal Year 2024-2025 and **five (5)** eligible residents for Fiscal Year 2025-2026 of Monterey County. Any additional eligible residents of Monterey County referred to the program will require an amendment to this Agreement.

Fiscal Year (FY)	Number of Placements per FY
2024-2025	3
2025-2026	5

G. FINANCIAL ELIGIBILITY

All eligible full-scope Medi-Cal Monterey County Residents who have been authorized and referred by the Monterey County Behavioral Health (MCBH) Case Manager. The Case Manager will ensure full scope Medi-Cal has been established and verified prior to the referral. Full scope Medi-Cal eligibility will be determined by Medi-Cal aid code as defined in Title XXI of the Social Security Act and the State Department of Mental Health latest Aid Codes Master Chart. The Chart can be found at the following web URL: https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx.
The contractor must monitor referrals and verify Medi-Cal eligibility for each client referred by checking on the website: https://www.medi-cal.ca.gov/MCWebPub/Login.aspx#. Any discrepancies of Medi-Cal eligibility must be communicated immediately to the Contract Monitor and resolved. Services provided to non-Medi-Cal eligible children will not be reimbursed to contractor unless the Deputy Director of Behavioral Health has approved for these services in writing.

H. LIMITATION OF SERVICE/PRIOR AUTHORIZATION

A. Referral for Admission:
Regular referrals of admission to this program will be initiated exclusively by screening and approval by an Interagency Placement Committee (IPC). Admission to the program

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will involve youth who are voluntary participants or who are wards or dependents of the court. Screening criteria will be based on degree of emotional disturbance, a designated funding source, and the inability to utilize a less restrictive placement. Admission will be the sole authority of the CONTRACTOR.

B. Emergency Placement Admission:
CONTRACTOR may admit children and youth into the program under emergency placement determination by placing Agency. CONTRACTOR shall provide comprehensive mental health assessments for Medi-Cal to determine if they meet medical necessity for SMHS and to determine if the individual meets criteria for STRTP placement within 72 hours of placement. CONTRACTOR shall notify County of placement and request IPC review and approval. County will notify CONTRACATOR of placement determination. If the IPC determines at any time that the placement, including an emergency placement, is not appropriate, it shall transmit the disapproval in writing to the CONTRACTOR.

C. Service Authorization
Mental Health services including Therapeutic Behavioral Services, require prior authorization. Medication support, beyond two visits per month, requires prior authorization. The contracted duration of treatment is limited to one year; any extension requires consultation with the MCBH Case Manager and approval of the Contract Monitor.

I. CLIENT DESCRIPTION/CHARACTERISTICS

The population served are children/youth with one or all of the following and are unsuccessful in stabilizing at a lower level of care.

A. Severe acting out episodes
B. History of self-destructive behavior
C. Catastrophic reactions to everyday occurrences and/or
D. History of inpatient hospitalization

Individuals served meet the following criteria for medical necessity (diagnostic, impairment, and intervention related):

A. Diagnostic Criteria:
The focus of the service should be directed to functional impairments related to an Included Diagnosis.

B. Impairment Criteria:
The client must have at least one of the following as result of the mental disorder(s) identified in the Diagnostic Criteria (A):

1. A significant impairment in an important area of life functioning, or
2. A probability of significant deterioration in an important area of life functioning, or
3. Children also quality if there is a probability that the child will not progress developmentally as individually appropriate. Children covered under EPSDT qualify if they have a mental disorder that can be corrected or ameliorated.

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C. Intervention Related Criteria (must have all three):
1. The focus of the proposed intervention is to address the condition identified in impairment criteria (B) above, and
2. It is expected the proposed intervention will benefit the consumer by significantly diminishing the impairment, or preventing significant deterioration in an important area of life functioning; and/or for children it is probably the child will be enabled to progress developmentally as individually appropriate (or if covered by EPSDT), the identified condition can be corrected or ameliorated),
3. The condition would not be responsive to physical healthcare-based treatment.

J. LEGAL STATUS

Voluntary or juvenile dependents and wards (W&I Code, Sections 300 et seq. and Sections 601 and 602 et seq.)

K. COVERAGE

Mental Health Services and Medical Support will be as designated on the service plan.

L. REPORTING REQUIREMENTS

A. CONTRACTOR shall complete the CANS for children/youth ages 6 through 18, and the Pediatric Symptom Checklist (PSC-35) for children ages 3 through 18 at the start of treatment, and complete a reassessment every 6 months, and at time of discharge. CONTRACTOR shall submit progress made on mental health goals as measured by CANS and PSC-35 no later than the last day of the following service month.
B. CONTRACTOR will submit reports on the following outcomes data no later than thirty (30) days following the end of each quarter to the COUNTY Designated Contract Monitor:
   a. Total number of children/youths served
   b. Number of CFT meetings attended per quarter
   c. Number of children/youths who have returned to lower levels of care
   d. Report on each Outcome Objective in Section III.

M. DESIGNATED CONTRACT MONITOR

Liz Perez-Cordero, Psy. D.
Behavioral Health Services Manager II
Monterey County Behavioral Health Bureau
Salinas, CA 93901

(831) 755-8430

III. SERVICE PROVISIONS

A. Certification of Eligibility

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CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS under Medi-Cal.

B. Access to Specialty Mental Health Services

1. In collaboration with the COUNTY, Contractor will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (a) or (b) below. If a client under age 21 meets the criteria as described in (a) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (b) below.

   a. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

   b. The client has at least one of the following:

      a. A significant impairment,

      b. A reasonable probability of significant deterioration in an important area of life functioning,

      c. A reasonable probability of not progressing developmentally as appropriate, or

      d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

      e. The client's condition listed above is due to one of the following:

         a. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

         b. A suspected mental health disorder that has not yet been diagnosed.

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c. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (a) and (b) below:

a. The client has one or both of the following:

i. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

ii. A reasonable probability of significant deterioration in an important area of life functioning.

b. The client's condition as described in paragraph (a) is due to either of the following:

i. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

ii. A suspected mental disorder that has not yet been diagnosed.

C. Additional Clarifications

1. Criteria

a. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:

i. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
ii. The service was not included in an individual treatment plan; or

iii. The client had a co-occurring substance use disorder.

2. Diagnosis Not a Prerequisite

a. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

D. Medical Necessity

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1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.

2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

E. Coordination or Care

1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.

2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.

3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

F. Co-Occurring Treatment and No Wrong Door

1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic

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relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.

2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

   a. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.

   b. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

IV. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. Services Authorization

1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.

2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.

3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.

4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.

5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

B. Documentation Requirements

1. CONTRACTOR will follow all documentation requirements as specified in Article 4.2-4.8 inclusive in compliance with federal, state and COUNTY requirements.

2. All CONTRACTOR documentation shall be accurate, complete, and legible, shall list each date of service, and include the face-to-face time for each service. CONTRACTOR shall document travel and documentation time for each service separately from face-to-face time and provide this information to COUNTY upon

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request. Services must be identified as provided in-person, by telephone, or by telehealth.

3. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

C. Assessment

1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.

2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.

3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.

4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

D. Problem List

1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.

3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.

4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.

5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a

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problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

E. Treatment and Care Plans

1. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

F. Progress Notes

1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.

4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.

5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

G. Transition of Care Tool

1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.

2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.

3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at: https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided

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form. The only exception to this requirement is when the tool is translated into languages other than English.

H. Telehealth

1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

   https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

V. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events

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- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Provisional Rates

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

PROVISIONAL RATE: NEGOTIATED RATE

CONTRACTOR shall be reimbursed the following negotiated rates for services. Rendering Staff Type shall provide services according to the Monterey County Behavioral Health Specialty Mental Health Services Documentation Manual, Scope of Practice.

CONTRACTOR may exceed units by clinician within a program or total contract as long as the annual program not-to-exceed (NTE) or annual maximum County obligation is not exceeded.

The following program services will be paid for actual usage in arrears, not to exceed the negotiated rates for a total amount not to exceed **$481,252** *(rounded to the nearest dollar)* for **FY 2024-2026***)*:

Fiscal Year (FY) 2024-25 ***(2 placements)***					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
Psychiatrist/Contracted Psychiatrist	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	0	$7.80	$0
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)			8,360	$4.08	$34,109
Mental Health Rehab Specialist			9,240	$3.07	$28,367
Total Maximum Amount FY 2024-25					**$62,476**

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Fiscal Year (FY) 2025-26 *(4 placements)*					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
Psychiatrist/Contracted Psychiatrist	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000	$7.80	$78,000
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)			45,600	$4.08	$186,048
Mental Health Rehab Specialist			50,400	$3.07	$154,728
Total Maximum Amount FY 2025-26					**$418,776**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Rate, which is based on the most recent State's Medi-Cal Behavioral Health Service Fee Schedules established by the State's Department of Health Care Services. In no case shall payments to CONTRACTOR exceed County's Maximum Rates. In addition to the rate limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program

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responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Behavioral Health Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Behavioral Health Invoice Form in Excel format with electronic signature along with supporting documentation, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

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H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$481,252** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
September 3, 2024 to June 30, 2025	$62,476
July 1, 2025 to June 30, 2026	$418,776
TOTAL MAXIMUM COUNTY OBLIGATION:	**$481,252**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

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VI. BILLING AND PAYMENT LIMITATIONS

B. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

C. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H and 2 C.F.R. § 230. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

D. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line-item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

E. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

F. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

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B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services are submitted by CONTRACTOR to COUNTY.
CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in undertaking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal claims or other State required claims data within the thirty (30) calendar daytime frame(s) as prescribed

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by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section II (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

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K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Health Care Services guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third-party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated fee for service program revenue, under this Agreement, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) showing all such non-reported revenue.

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2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. AUTHORITY TO ACT FOR THE COUNTY

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The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C:
CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

DocuSigned by:
Garnett Fountain
4B6B3D43D7714E7...
Signature of Authorized Representative

8/4/2025
Date

MICHIGAN HOUSE, INC.
Business Name of Contractor

GARNETT FOUNTAIN
Name of Authorized Representative (printed)

ADMINISTRATOR, CEO, FOUNDER
Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons.

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Name	MICHIGAN HOUSE, INC	
Name of Designee	Garnett Fountain	
Title of Designee	Administrator, CEO, Founder	
Street: 1617 W Shaw Avenue, Suite B		
City: Fresno	State: CA	Zip: 93771
IRS Employer Identification Number	77-0242299	

I certify that the above information is complete and correct to the best of my knowledge and belief.

DocuSigned by:
Garnett Fountain
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CEO / Administrator

Signature & Title of Contractor

Date 8/4/2025 /_____/_____

EXHIBIT E:
ASSURANCE OF COMPLIANCE WITH

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MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.
(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.
(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.
(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.
(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

MICHIGAN HOUSE, INC.
Contractor (Organization Name)

DocuSigned by:
Garnett Fountain
4B6B3D43D7714E7...
Signature of Authorized Representative

GARNETT FOUNTAIN
Name of Authorized Representative

8/4/2025
Date

ADMINISTRATOR, CEO, FOUNDER
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective **February 12, 2025** ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and **MICHIGAN HOUSE, INC.** ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R.

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§ 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504I(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504I(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504I(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been

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breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410I, which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non- permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may

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include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

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(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 <u>Business Associate Acknowledgment</u>.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de- identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

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(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504I(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and

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(v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Michigan House, Inc.
Attn: Garnett Fountain
1617 W. Shaw Ave, Suite B
Fresno, CA 93711
Phone: (559) 347-8197

If to Covered Entity, to:

County of Monterey Health Department Attn:
Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

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5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

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Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

I. BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Garnett Fountain 4B6B3D43D7714E7...	By:
Print Name: **Garnett Fountain**	Print Name: **Elsa M. Jimenez**
Print Title: Administrator, CEO, Founder	Print Title: Director of Health Services
Date: 8/4/2025	Date:

January, 2024

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EXHIBIT G: Behavioral Health Invoice Form

		Invoice Number :	
Contractor :			
Address Line 1		**County PO No.:**	
Address Line 2			
		Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:		**Final Invoice :**	(Check if Yes)
BH Division :	Mental Health Services	BH Control Number	

Payment Provisions	Total Maximum Amount FY 2023-24	Dollar Amount Requested this Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
				$ -	
				$ -	
				$ -	
TOTALS	$ -	$ -	$ -	$ -	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to:	MCHDBHFinance@countyofmonterey.gov	Behavioral Health Authorization for Payment	
		Authorized Signatory	Date

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EXHIBIT H: BUDGET AND EXPENDITURE REPORT

CONTRACTOR'S NAME

BUDGET AND EXPENDITURE REPORT

For Monterey County - Behavioral Health

Fiscal Year _____

Program Name: _____ **AVATAR Program(s):** _____

Unduplicated Number of Clients Served: _____ **Address:** _____

Service Description	Mode of Service	Service Function Code	Total Units of Service	Amount Due from the COUNTY	Estimated Medi-Cal Units of Service		Estimated Federal Financial Participation (FFP) Revenue
							$ -
				Approved Budget		Actual for 6 Months	Actual Year-to-Date
A. PROGRAM REVENUES							
Monterey County Funds (Monterey County's Use):							
	Provisional Rates						
	Estimated Federal Financial Participation (FFP)			$ -			
	Cash Flow Advances						
						$ -	
Total Requested Monterey County Funds						$ -	$ -
Other Program Revenues							
TOTAL PROGRAM REVENUES (equals Allowable Costs)				$ -		$ -	$ -
	B. ALLOWABLE COSTS - Allowable expenditures for the care and services of placed Monterey County clients allocated in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories list. CONTRACTOR is expected to be able to identify direct and indirect costs directly from its financial statements.						
	I. Direct Cost Centers - a direct cost, as defined in OMB A-87, is a cost that can be identified specifically with a particular final cost objective.						
	A. Mode Costs (Direct Services)			Approved Budget		Actual for 6 Months	Actual Year-to-Date
1	Salaries and wages (please fill out Supplemental Schedule of Salaries and Wages)						

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2	Payroll taxes				
3	Employee benefits				
4	Workers Compensation				
5	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)				
6	Temporary Staffing				
7	Flexible Client Spending (please provide supporting documents)				
8	Travel (costs incurred to carry out the program)				
9	Employee Travel and Conference				
10	Communication Costs				
11	Utilities				
12	Cleaning and Janitorial				
13	Maintenance and Repairs - Buildings				

		Approved Budget	Actual for 6 Months	Actual Year-to-Date
14	Maintenance and Repairs - Equipment			
15	Printing and Publications			
16	Memberships, Subscriptions and Dues			
17	Office Supplies			
18	Postage and Mailing			
19	Medical Records			
20	Data Processing			
21	Rent and Leases - equipment			
22	Rent and Leases - building and improvements (please identify the property address and method of cost allocation)			
23	Taxes and assessments (Please identify the property address and method of cost allocation)			
24	Interest in Other Long-term debts (please identify the property address and method of cost allocation)			
25	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County and must meet the criteria of a direct cost)			
26	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
27	Miscellaneous (please provide details)			
28	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
29	**Total Mode Costs**	**$ -**	**$ -**	**$ -**
	B. Administrative Costs - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided.			

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30	Salaries and Benefits			
31	Supplies			
32	Others - please provide details. Expense must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.			
33	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
34	**Total Administrative Costs**	**$ -**	**$ -**	**$ -**
35	**TOTAL DIRECT COSTS**	**$ -**	**$ -**	**$ -**

II Indirect Cost Centers - include all costs that are incurred for a common or joint purpose benefitting more than one final cost objective, that are not readily assignable to the cost objective specifically benefitted without effort disproportionate to the results achieved. The indirect cost centers correspond directly with the expense accounts defined in the Accounting Standards and Procedures for Counties, which is published by the California State Controller's Office.

	INDIRECT COSTS	**Approved Budget**	**Actual for 6 Months**	**Actual Year-to-Date**
36	Equipment (purchase price of less than $5000)			
37	Rent and Leases - equipment			
38	Rent and Leases - building and improvements			
39	Taxes and assessments			
40	Insurance and Indemnity			
41	Maintenance - equipment			
42	Maintenance - building and improvements			
43	Utilities			
44	Household Expenses			
45	Interest in Bonds			
46	Interest in Other Long-term debts			
47	Other interest and finance charges			
		Approved Budget	**Actual for 6 Months**	**Actual Year-to-Date**
48	Contracts Administration			
49	Legal and Accounting (when required for the administration of the County Programs)			
50	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
51	Data Processing			
52	Personnel Administration			
53	Medical Records			
54	Other Professional and Specialized Services			
55	Transportation and Travel			
56	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			
57	**Total Indirect costs**	**$ -**	**$ -**	**$ -**

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63 Total Allowable Costs		$ -	$ -	$ -
COST REPORT INFORMATION:				
64	Land			
65	Buildings and Improvements			
66	Equipment (purchase price of $5000 or more)			
67	Total	0		

We hereby certify to the best of our knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature **Date** **Finance Director's Signature** **Date**

Supplemental Schedule of Salaries and Wages - Mode Cost (Direct Services)

TITLE OF POSITION	Annual Salary/Wage	FTE (Full Time Employee)	TOTAL
Sample: Social Worker	$ 45,000	0.75	$ 33,750
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
Total Salaries and Wages			$ -

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EXHIBIT I: AUDITS AND AUDIT APPEALS

I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

   1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

   2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

   3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

   1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Notwithstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

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2. Deducted from future claims over a period not to exceed six (6) months;

3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

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EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

Purpose: Demonstrate CONTRACTOR's telehealth compliance with federal & state telehealth laws

A. **Federal Telehealth Law**

There are no specific federal laws governing the delivery of telehealth related to compliance, but there are numerous laws requiring telehealth reimbursement parity with face-to-face services. However, in parity with on-ground mental health services, Telehealth 'covered entities' are required to uphold federally-established HIPAA regulations according to the Health Insurance Portability and Accountability Act of 1996.

HIPAA Regulations: In addition to standard operations, HIPAA security guidelines for the electronic delivery of telehealth services have been established by HITECH (Health Information Technology for Economic and Clinical Health) as part of the American Recovery and Reinvestment Act of 2009 (ARRA). Specifically, CONTRACTOR Telehealth technologies and operational standards conform to HITECH guidelines for HIPAA compliance through:

1. **Technology Security**
   a. IETF-standard Secure Sockets Layer (SSL) and Transport Layer Security (TLS) protocols are used to protect all communication between endpoints. To provide maximum protection against eavesdropping, modification, or replay attacks, the only SSL cipher suite supported for non-Web-site TCP connections is 1024-bit RSA with 128-bit AES-CBC and HMAC-SHA1
   b. End-to-end 128 bit encryption that protects both ends of the connection
   c. Multi-layer cryptography, server, certificate, and user authentication prevent unauthorized access
2. **Role-based Security Features**

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a. Platform user permissions are centrally assigned to approved providers by the CONTRACTOR's Director of Operations only (controlled access to platform)

b. Each session has a uniquely coded session ID that is not reusable

c. No one else can enter the session uninvited (including staff members)

3. **Security Monitoring**

a. occurs simultaneously on three levels, 1) CONTRACTOR Provider; 2) Facility; and 3) Behavioral Health

b. Provider has on-screen monitoring tools to see who is connected to the session at all times

c. Facility and BH monitors daily activity plus comprehensive data logs to ensure appropriate, secure use of system

d. CONTRACTOR Data Centers are physically guarded and continually monitored for security and performance, guarding against cyber attacks

4. **Information Access**

a. Communications and user identities are NEVER visible to any third party

b. User logs and activity is not visible to anyone but the CONTRACTOR Director of Operations

c. Sessions are not recorded

d. Contingency and Emergency Operations Plan

5. **Stringent Policies and Procedures**

a. Extensive training plus CONTRACTOR policies and procedures for clinicians governing use of the platform, their behavior online, and how they access and manage client information.

b. We also work closely with clients to ensure their compliance to HIPAA confidentiality measures (such as confirming no one can overhear their session, confirming they are in a secure and private location, etc.

B. **California Telehealth Law**

California was one of the earliest adopters of a state telehealth policy with the passing of The Telemedicine Development Act of 1996, which established a legal requirement to recognize telehealth services as equivalent to face to face services, and for such services to be reimbursable by both Medi-Cal and Medicare, as well as commercial insurers.

Current and relevant CA telehealth codes/laws include:

• **Cal. Health & Safety Code § 1374.13. (c)** - On and after January 1, 1997, no health care service plan contract that is issued, amended, or renewed shall require face-to-face contact between a health care provider and a patient for services appropriately provided through telemedicine, subject to all terms and conditions of the contract agreed upon between the enrollee or subscriber and the plan.

• **Cal. Health & Safety Code § 14132.72. (a)** - It is the intent of the Legislature to recognize the practice of telemedicine as a legitimate means by which an individual may receive medical services from a health care provider without person-to-person contact with the provider.

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• **AB 415 (2012)** – Was passed to facilitate the advancement of telehealth as way of providing health services. The law established that telehealth services may consist of a real-time (synchronous) interaction between a patient and a health care provider located at a distant site or may involve the transmission of a patient's medical information from patient's site to a distant site without the presence of the patient ("asynchronous store and forward"). The law also affirmed that the use of telehealth includes allied health professions such as mental health practitioners. (See Cal. Bus. & Prof. Code § 2290.5).

• **AB 809 (2015)** - Provided that informed consent for telehealth services may be verbal only, although USCTH still obtains written consent and acknowledgement of telehealth service delivery as a "best practice".

Additional Important Telehealth Facts:

California law considers telehealth equivalent to in-person services ... Regulations established by The Telemedicine Development Act of 1996 focus on the prompt and equivalent payment for telemedicine services by contracting entities to uphold the law's intention that **telemedicine/telehealth be recognized as a legitimate means of service delivery the same as face-to-face services for all services that are possible through a telehealth platform.**

Allied health professions are covered under the law ... Please note that the language from the Telemedicine Development Act of 1996 (Senate Bill 1665) was updated in 2012 to "**telehealth**" instead of telemedicine and covers **allied health** professions in addition to medical services.

CMS has a history of paying for telehealth services ... For informational purposes, a recent article in *healthitoutcomes.com – May, 28, 2015* – states "Total reimbursements for telemedicine by the Centers for Medicare & Medicaid Services reached $13.9 million in 2014."

Introduced: 8/13/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and CF Merced Behavioral, LLC dba Merced Behavioral Center for the provision of mental health services to gravely disabled Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $2,483,865 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($248,386) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,732,251.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and CF Merced Behavioral, LLC dba Merced Behavioral Center for the provision of mental health services to gravely disabled Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $2,483,865 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health or designee to execute up to three (3) future amendments that do not exceed 10% ($248,386) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,732,251.

SUMMARY/DISCUSSION

The County contracted with CF Merced Behavioral, LLC dba Merced Behavioral Center for mental health services to gravely disabled Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD) for the periods of Fiscal Years (FY) 2006-2025.

This new agreement with CF Merced Behavioral, LLC dba Merced Behavioral Center is for one (1) FY term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16457 ending June 30, 2025. This agreement renews the contract provisions but shifts the number of overall beds from seventeen (17) to fifteen (15) beds based on the historical usage.

Due to late and ongoing contract negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement provides for the continuity of care for Monterey County Behavioral Health Bureau adult clients with severe psychiatric disabilities and complies with the requirements of the Welfare and Institutions Code Section 5600 (Bronzan-McCorquodale Act) and the California Code of Regulations Titles 9 and 22 and sustains the continuity of care services to seriously mentally ill clients of Monterey County.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s):" 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is 100% funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 8/13/2025

Current Status: Health Department - Consent

Version: 1

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BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
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- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Docusign Envelope ID: 9531BF50-13CB-4895-BBC9-ECC5E3E1968C

COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **CF MERCED BEHAVIORAL, LLC DBA MERCED BEHAVIORAL CENTER** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short-Doyle Skilled Nursing Facility for psychiatric care of adults as an Institution for Mental Disease (IMD).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Jeri Allgood, Administrator
CF Merced Behavioral, LLC DBA Merced Behavioral Center
1255 "B" Street
Merced, CA 95340
(209) 723-8814
(209) 384-3747 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/6/2025 | 1:50 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/7/2025 | 12:07 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

CF MERCED BEHAVIORAL, LLC. DBA MERCED BEHAVIORAL CENTER
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: Jeri Allgood A57455CC2F7A4B5...
(Signature of Chair, President, or Vice-President) *

Jeri Allgood, Administrator
Name and Title

Date: 7/8/2025 | 2:37 PM PDT

By: DocuSigned by: Paulina Salazar AB1AA1982DBC461...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Paulina Salazar, CFO
Name and Title

Date: 7/8/2025 | 4:08 PM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: CF Merced Behavioral, LLC DBA Merced Behavioral Center

Service Address: 1255 "B" Street
Merced, CA 95340

Incorporation Status: Private, for profit, Corporation

Type of Facility: Skilled Nursing Facility / Institution of Mental Disease (IMD)

Type of License: Skilled Nursing Facility

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a locked skilled nursing level of care.

III. PROGRAM 1: MAIN HOUSING UNIT (MHU)

Treatment services of the MHU include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through patient assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:

   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:

   a) Behavior modification modalities;
   b) Re-motivation therapy;

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c) Patient government activities;
d) Group counseling;
e) Individual counseling;
f) Interpersonal Relationships. This shall include but not be limited to social counseling;
g) Educational and recreational training;
h) Social activities such as outings, dances, etc.;
i) Understanding of legal issues and court processes.

3. Pre-vocational Preparation Services. This shall include but not be limited to:

a) Homemaking;
b) Work activity;
c) Vocational counseling; work habits
d) Pre-release planning;
e) Out-of-home planning;
f) Linkage to medical services in the community as needed.

IV. PROGRAM 2: BEHAVIORAL TRANSITIONAL CARE UNIT (BTCU)

The Behavioral Transitional Care Unit (BTCU) at Merced Behavioral Center is a specialized unit designed to offer an elevated level of psychiatric care for conservatees, distinct from the Main Housing Unit (MHU), with advanced services for those conserved clients needing more intensive care and behavioral management.

A. Enhanced Services Compared to the MHU

The BTCU will provide more intensive care than the MHU, marked by a higher staffing ratio, increased monitoring frequency, and specialized treatment programs. The BTCU's treatment program will be exclusively tailored to the psychiatric needs of higher-acuity clients.

B. Staffing and Expertise

In contrast to the MHU, BTCU staff will be trained in MABPRO, a higher standard of training focused on managing more complex psychiatric behaviors. The BTCU will also see at least a 50% increase in counseling staff compared to the MHU, ensuring a more personalized care approach. The unit will also have a dedicated RN Supervisor, CNA Supervisor, Activities Assistant, and Special Treatment Program Manager. Lastly, the unit will also have its own psychiatrist (Dr. Soo Chun, MD) who has extensive experience with highly challenging residents.

C. Specialized Treatment Programs

While the MHU utilizes Cognitive Behavioral Therapy, the BTCU will primarily focus on Dialectical Behavioral Therapy, catering to the unique needs of our clients. This shift in therapeutic approach is designed to better manage the specific challenges faced by BTCU residents.

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D. Increased Frequency of Care

Residents in the BTCU will have access, if necessary, to more frequent psychiatric evaluations and therapy sessions compared to the monthly schedule in the MHU, as determined by the Interdisciplinary Team. This increased care frequency is vital for addressing the complex needs of BTCU residents.

E. Advanced Behavioral Monitoring

Monitoring in the BTCU will be more frequent than in the MHU, with checks every 30 minutes as opposed to every hour, and the flexibility to increase to every 15 minutes. This heightened observation is critical for managing severe behavioral issues.

F. Transition and Discharge Planning

The BTCU introduces a novel level system, allowing for gradual transition from higher to lower care levels, culminating in a hybrid stage with the MHU. This system is designed to provide a smoother transition compared to the standard practices in the MHU, as well as help identify the resident's readiness for a lower level of care before transitioning.

G. Collaboration with Monterey County Behavioral Health Services

Regular and detailed communication with the Monterey County Behavioral Health will be a priority in the BTCU, tailored to the needs and requests of the COUNTY Placement Team. This includes weekly and monthly reports, immediate notifications for any change in conditions, and updates to interdisciplinary team notes.

V. PROGRAM GOALS

A. To assist Monterey County Behavioral Health Bureau (MCBHB) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and program service.

C. To restore the client's level of functioning in the community to a lower level of care.

D. To increase the client's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of decompensation, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

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VI. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VII. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VIII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. Individuals in need of 24-hour skilled nursing services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation or physical illnesses (without psychiatric component) shall not be considered for admission. All admissions are subject to the prior authorization from the COUNTY and CONTRACTOR's commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

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2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental illness, clients are unable to provide for their basic needs.

IX. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

X. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

XI. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR's State of California license.

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Monitor.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and

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5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

XV. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B-1 is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. REIMBURSEMENT FOR BASIC AND SPECIAL TREATMENT PROGRAM (STP) SERVICES

The payment rate shall be a negotiated amount or up to the maximum per diem rate established by the State of California Department of Health Care Services for Medi-Cal Free-Standing Nursing Facilities Level B designated as Institutions of Mental Disease (IMD) for the "All Other Counties" region, based on the Accommodation Code 01 (60+ beds) rate published July 1, 2019, with 3.5% added for each subsequent fiscal year (FY). The Special Treatment Program (STP) Patch rate of $5.72 is added to the per diem rate. Effective for dates of service on or after January 1, 2024, the rate reduction for IMD leave of absence and bed hold for acute hospitalization is updated to $9.52 per diem. The State establishes these rates annually and they are accessible through the Department of Health Care Services website www.dhcs.ca.gov.

A. PAYMENT RATES

1. MAIN HOUSING UNIT SERVICES

The following services will be paid in arrears for the Main Housing Unit Program 1 at the maximum DHCS rate with patch of **$275.67** per unit for **FY 2025-26,** which includes a 10% daily supplemental administrative patch, for a total maximum of **$905,589** for the term of the Agreement.

MHU STATE DHCS RATE + AB 1054 3.5% + Standard Patch + 10% Admin Patch - FY 2025-26							
Fiscal Year	**Rate**	**Patch**	**Rate w/Patch**	**Admin 10% Daily Supplemental Patch**	**MHU Combined Daily Rate**	**Estimated Number of Units**	**Yearly Estimated Cost**
July 1, 2025 - June 30, 2026	$244.89	$5.72	$250.61	$25.06	$275.67	3285	$905,589
					TOTAL ESTIMATED COUNTY OBLIGATION:		**$905,589**

2. BEHAVIORAL TRANSITIONAL CARE UNIT SERVICES

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The following services will be paid in arrears for the Behavioral Transitional Care Unit Program 2 at the maximum annual MHU combined daily rate plus BTCU daily patch rate of **$445.00**, for a combined daily rate of **$720.67** per unit for **FY 2025-26,** for a total maximum of **$1,578,276** for the term of the Agreement.

BEHAVIORAL TRANSITIONAL CARE UNIT - FY 2025-26					
Fiscal Year	**MHU Daily Base Rate**	**BTCU Daily Patch Rate**	**BTCU Combined Daily Rate**	**Estimated Number of Units**	**Yearly Estimated Cost**
July 1, 2025 - June 30, 2026	$275.67	$445.00	$720.67	2190	$1,578,276
			TOTAL ESTIMATED COUNTY OBLIGATION:		**$1,578,276**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on the Cost Reimbursement Invoice Form provided as Exhibit G-1 to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G-1, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.

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C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY:

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$2,483,865** for services rendered under this Agreement.

B. Maximum Annual Liability

FISCAL YEAR	AMOUNT
July 1, 2025 - June 30, 2026	$2,483,865
TOTAL AGREEMENT MAXIMUM LIABILITY:	**$2,483,865**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

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E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to

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implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	CF Merced Behavioral, LLC DBA Merced Behavioral Center
	Business Name of Contractor
DocuSigned by: Jeri Allgood A5745ECC9F7A4F5...	Jeri Allgood
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/8/2025 | 2:37 PM PDT	Administrator
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	CF Merced Behavioral, LLC DBA Merced Behavioral Center	
Name of Contractor's Designee	Jeri Allgood	
Title of Designee	Administrator	
Street 1255 "B" Street		
City Merced	State CA	Zip 95340
IRS Employer Identification Number	20-8026800	

I certify that the above information is complete and correct to the best of my knowledge and belief.

DocuSigned by: Jeri Allgood A57455OC2F7A4B5...

Signature of Contractor

Date 7/8/2025 | 2:37 PM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.

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- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

CF Merced Behavioral, LLC DBA Merced Behavioral Center

Contractor (Organization Name)

DocuSigned by:
Jeri Allgood
A57455CC2E7A4B5...

Signature of Authorized Representative

Jeri Allgood

Name of Authorized Representative (*printed*)

7/8/2025 | 2:37 PM PDT

Date

Administrator

Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and CF MERCED BEHAVIORAL, LLC DBA MERCED BEHAVIORAL CENTER ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

CF Merced Behavioral, LLC DBA Merced Behavioral Center
Attn: Jeri Allgood, MSW - Administrator
1255 "B" Street
Merced, CA 95340
Phone: (209) 723-8814
Fax: (209) 384-3747
Email: jeri.allgood@mercedbehavioral.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Jeri Allgood A57455CC2E7A4B5...	By:
Print Name Jeri Allgood, MSW	Print Name: Elsa M. Jimenez, MPH
Print Title Administrator	Print Title: Director of Health Services
Date: 7/8/2025 | 2:37 PM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	CF Merced Behavioral, LLC DBA Merced Behavioral Health Center	Invoice Number :	
Address Line 1	1255 "B" Street	County PO No. :	
Address Line 2	Merced, CA 95340	Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:	July 1, 2025 to June 30, 2026	Final Invoice :	(Check if Yes)
BH Division :	Mental Health Services		BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2024-25	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
MHU IMD w/Patch Bed Days	5	36	$275.67	3,285			0	3,285	100%	$ 905,589	$ -		$ -	$ 905,589.16	100%
Bed Hold Days	5	36					0	0	#DIV/0!	$ -	$ -		$ -	$ -	#DIV/0!
BTCU Bed Days	5	36	$720.67	2,190			0	2,190	100%	$ 1,578,276	$ -		$ -	$ 1,578,276.11	100%
TOTALS				5,475	0	0	0	5,475	100%	$2,483,865	0.00	0.00	0.00	$2,483,865	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov

Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____

Authorized Signatory Date

Introduced: 8/13/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Telecare Corporation for the provision of skilled nursing services to Monterey County adults with primary diagnoses of organic brain syndrome, traumatic brain injury, medical debilitation, and severe mental illness, for a maximum County obligation of $544,404 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($54,440) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $598,844.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Telecare Corporation for the provision of skilled nursing services to Monterey County adults with primary diagnoses of organic brain syndrome, traumatic brain injury, medical debilitation, and severe mental illness, for a maximum County obligation of $544,404 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($54,440) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $598,844.

SUMMARY/DISCUSSION

The County contracted with Telecare Corporation for services to Monterey County residents for the periods of Fiscal Years (FY) 2006-2025. Telecare Corporation administers programs at two contracted facilities, Garfield Neurobehavioral Center and Morton-Bakar Center. Both centers are licensed Skilled Nursing Facilities (SNF) and provide treatments covering conditions ranging from Traumatic Brain Injury and other medical debilitation to psychosocial rehabilitation and skills-building support for older adults ages fifty-seven (57) and older, with a primary diagnosis of severe mental illness.

This Agreement with Telecare Corporation is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-17007 ending June 30, 2025. This Agreement renews the same contract provisions with a 3% rate increase for the services provided.

Due to late and ongoing contract negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement

retroactive when presented to your board.

Approval of this Agreement meets the requirements of the State Welfare and Institutions Code 5600 (Bronzan-McCorquodale Act) and the California Code of Regulations Titles 9 &22 and sustains the continuity of core services to seriously mentally ill clients of Monterey County.

This Agreement contains contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by the 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 8/13/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Telecare Corporation for the provision of skilled nursing services to Monterey County adults with primary diagnoses of organic brain syndrome, traumatic brain injury, medical debilitation, and severe mental illness, for a maximum County obligation of $544,404 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($54,440) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $598,844.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Telecare Corporation for the provision of skilled nursing services to Monterey County adults with primary diagnoses of organic brain syndrome, traumatic brain injury, medical debilitation, and severe mental illness, for a maximum County obligation of $544,404 for the term of July 1, 2025 through June 30, 2026; and
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SUMMARY/DISCUSSION

The County contracted with Telecare Corporation for services to Monterey County residents for the periods of Fiscal Years (FY) 2006-2025. Telecare Corporation administers programs at two contracted facilities, Garfield Neurobehavioral Center and Morton-Bakar Center. Both centers are licensed Skilled Nursing Facilities (SNF) and provide treatments covering conditions ranging from Traumatic Brain Injury and other medical debilitation to psychosocial rehabilitation and skills-building support for older adults ages fifty-seven (57) and older, with a primary diagnosis of severe mental illness.

This Agreement with Telecare Corporation is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-17007 ending June 30, 2025. This Agreement renews the same contract provisions with a 3% rate increase for the services provided.

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retroactive when presented to your board.

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- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **TELECARE CORPORATION** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Services provided to individuals with neurobehavioral disorders (Garfield Neurobehavioral) and older adults with a primary diagnosis of severe mental illness (Morton-Bakar Center) at Skilled Nursing Facilities.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Dawan Utecht
Senior Vice President/CDO
Telecare Corporation
1080 Marina Village Pkwy, Ste. 100
Alameda, CA 94501
(510) 337-7950

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/8/2025 | 1:32 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/8/2025 | 1:52 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

TELECARE CORPORATION
CONTRACTOR NAME
Contractor's Business Name *

By: Signed by: Dawan Utecht D954F5E3834B421...
(Signature of Chair, President, or Vice-President) *

Dawan Utecht, Senior Vice President/ CDO
Name and Title

Date: 7/31/2025 | 9:36 AM PDT

By: Signed by: Trisha Niemuth 0000FD0B93304EB...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Trisha Niemuth, CFO
Name and Title

Date: 8/4/2025 | 11:11 AM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM 1 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: Telecare Corporation
Garfield Neurobehavioral Center

Address: 1080 Marina Village Pkwy, Ste. 100
Alameda, CA 94501

Incorporation Status: Private, for profit, Corporation

Type of Facility: SNF – Neurobehavioral Center

Type of License: Skilled Nursing Facility

II. TARGET POPULATION / FACILITY SPECIALIZATION

Specialized long-term care program for adults with impairments such as organic brain syndrome (OBS), traumatic brain injury (TBI), dementia, developmental disability, and other neurological conditions, who are from 18 years of age to 64 years of age.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A highly-structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.

B. A structured behavioral management approach that stresses environmental safety and individual management.

A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

a) Behavior modification
b) Community skills development
c) Psychological and psychiatric adjustment
d) Self-care development
e) Group interaction
f) Individual social support
g) Individual counseling
h) Interpersonal and social skills development

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i) Educational and recreational training
j) Art and Music Therapy

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;

C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning;

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time;

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community;

F. To provide the intensive staff required to supervise and treat OBS, Traumatic Brain Injured, Dementia, and Medically Debilitated Diagnosis Adults; and

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VI. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis and the presence of a neurological condition, such as traumatic brain injury or dementia, and conserved and found to be gravely disabled, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1) Dementia or OBS
2) Severe cognitive impairment secondary to brain injury or neurological condition with behaviors preventing community placement
3) Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

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4) Neurodegenerative disease accompanied or exacerbated by mental illness that prevents Skilled Nursing Facility placement

Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY or CONTRACTOR may grant individual exceptions to these admission criteria.

Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

VII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

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VIII. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

IX. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

X. EVALUATION & REPORTING REQUIREMENTS

A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.

B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Garfield Neurobehavioral Center leadership that may occur during the term of this contract.

XI. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1) Medical necessity;
2) Appropriateness of continued treatment;
3) Focus, level, intensity of care;
4) Outcome of treatment; and
5) Cost of treatment.

XII. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

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CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT A: PROGRAM 2 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: Telecare Corporation
Morton Bakar Center

Address: 494 Blossom Way
Hayward, CA 94541

Incorporation Status: Private, for profit, Corporation

Type of Facility: SNF – Neurobehavioral Center

Type of License: Skilled Nursing Facility

II. TARGET POPULATION / FACILITY SPECIALIZATION

Morton Bakar Center provides psychosocial rehabilitation and skills-building support for older adults (ages 57+) with a primary diagnosis of severe mental illness. Under the direction of a multidisciplinary team, residents receive diagnostic evaluation and treatment to address their psychiatric and medical needs.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A longer-term recovery program within a supportive, structured, and secure inpatient environment designed to help residents prepare to move to the community and/or lower levels of care. 24-hour nursing care and dedicated staff providing a collaborative recovery environment based on Telecare's Recovery-Centered Clinical System (RCCS) model.

B. The program offers specific approaches that have been found to be effective for an individual's specific stage of readiness to change, motivational interviewing designed to engage and motivate residents who have not responded to traditional interventions, harm reduction strategies, personal strengths development, and data driven interventions.

C. A structured behavioral management approach that stresses environmental safety and individual management.

D. The Telecare RCCS model provides a comprehensive, holistic, and personal approach to recovery. Services include, but are not limited to:

1) Comprehensive evaluation and risk assessment
2) Independent living skills training
3) Physical, occupational, and speech therapy
4) Medication education and training

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5) Psychosocial assessment
6) Psychotherapy
7) Recovery-focused collaborative treatment planning
8) Art and Music Therapy
9) 24-hour nursing care

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;

C. To provide a safe, secure, healthful, and behaviorally focused living environment, which enhances the opportunity of the residents to reach their maximum level of functioning;

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time, preventing or reducing acute psychiatric hospitalizations or long-term hospitalization;

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community, as close to Monterey County as possible;

F. To provide high quality care and supervision at the lowest appropriate cost; and

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit older adult patients referred by the COUNTY with a primary psychiatric diagnosis of severe mental illness, subject to bed availability, with

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order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1) Dementia or OBS
2) Sub-acute psychiatric impairment and/or with severely impaired adaptive functioning
3) Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY or CONTRACTOR may grant individual exceptions to these admission criteria.

Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

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VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. EVALUATION & REPORTING REQUIREMENTS

A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.

B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Morton Bakar Center leadership that may occur during the term of this contract.

XII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1) Medical necessity;
2) Appropriateness of continued treatment;
3) Focus, level, intensity of care;
4) Outcome of treatment; and
5) Cost of treatment.

XIII. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

B. Participation in the Monterey Integrated System of Care Transformation Initiative

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Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions.

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Cost Reimbursement (CR) or Negotiated Rate (NR) up to the maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. REIMBURSEMENT FOR BASIC / STP SERVICES

Garfield Neurobehavioral Center / Morton Bakar Center

Under the terms of this Agreement, COUNTY shall reimburse the CONTRACTOR for services rendered as described in Exhibit A, which will be identified as the Enhanced Treatment Rate for clients who have Medi-Cal benefits.

For non-Medi-Cal clients, the fee will include the Enhanced Treatment Rate plus the current State Medi-Cal Rate for clients residing at this facility. COUNTY is additionally responsible for paying the cost of medications for non-benefited clients.

The Leave of Absence and Bed Hold rate will apply only when an existent client is transferred to a facility temporarily, for acute psychiatric inpatient care, due to return to the facility. Effective for dates of service on or after May 12, 2023, the rate reduction for Leave of Absence and Bed Hold for acute hospitalization is updated to $9.46 per diem and will conform to the State-approved Medi-Cal per diem rate as it varies annually. Rates are accessible through the Department of Health Care Services website at www.dhcs.ca.gov. CONTRACTOR will notify COUNTY in the event a client must be moved to an acute treatment facility and a bed hold needs to be made.

For the purposes of this Agreement, the term "bed day" includes beds held vacant for clients who are temporarily [not more than seven (7) days] absent from a facility. Agreement by both parties is required for bed holds of more than 7 days.

The Skilled Nursing Facility (SNF) program services will be paid in arrears at the Enhanced Treatment Rate as follows:

Fiscal Year / Period	Mode of Service	Service Function Code	Enhanced Treatment (ET) Rate	Estimated # of Bed Days per FY	Non-Medi-Cal Eligible Clients (Medi-Cal Rate + ET Patch) *	Estimated # of Bed Days per FY	Maximum Yearly Estimated Cost
July 1, 2025 to June 30, 2026	05	30-34	$323.86	365	$747.72	0	$118,209
GARFIELD NEUROBEHAVIORAL MAXIMUM COUNTY OBLIGATION:							$118,209

FY 2025-26 ET Rate plus estimated FY 2025-26 Medi-Cal Rate. Actual rate will be adjusted as State Medi-Cal rates are published.

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Fiscal Year / Period	Mode of Service	Service Function Code	Medi-Cal Eligible Clients 65 Years and Older	Estimated # of Bed Days per FY	Non-Medi-Cal Eligible / Medi-Cal Eligible Clients < 65 years *	Estimated # of Bed Days per FY	Maximum Yearly Estimated Cost
July 1, 2025 to June 30, 2026	05	30-34	$167.94	1,460	$460.25	365	$413,184
MORTON-BAKAR MAXIMUM COUNTY OBLIGATION:							$413,184

**** FY 2025-26 Medi-Cal Eligible ≥ 65 Rate plus FY 2025-26 Medi-Cal Rate. Actual rate will be adjusted as State Medi-Cal rates are published.***

IV. NEGOTIATED RATE: ESCORT SERVICES AND 1:1 ENHANCED SUPPORT AND SUPERVISION

Escort Services

Escort Services may be required for admissions, Conservatorship hearings, and/or discharge to a lower level of care.

1:1 Services - Enhanced Support and Supervision

CONTRACTOR will provide individual support and supervision with prior authorization from COUNTY Contract Monitor. Examples of individual support and supervision are:

- Stand by assistance for dialysis treatment, including bedside support during treatment and transport to and from treatment.
- Stand by assistance for chemotherapy treatment, including bedside support during treatment, and transport to and from treatment.
- Stand by assistance for physical therapy treatment, including support during therapy session, and transport to and from treatment.
- Individual support for clients diagnosed with Severe & Persistent Mental Illness (SPMI) and Intellectual Disabilities, that without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.
- Bereavement support for individuals attending funeral or memorial of a loved one, including transportation to and from services.

The following Escort and 1:1 Enhanced Support and Supervision services will be paid for actual client usage in arrears, not to exceed the listed rates, on a monthly basis for a maximum total amount not to exceed **$13,011 for FY 2025-26:**

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Fiscal Year / Period	Service Description	Estimated Units (Hours/Year)	Service Rate / Hour	Maximum Yearly Estimated Cost
July 1, 2025 to June 30, 2026	1:1 Services	250	$45.36	$11,340
	Escort Services	50	$33.42	$1,671
ESCORT / 1:1 SERVICES MAXIMUM COUNTY OBLIGATION:				$13,011

V. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall then submit such certified claim to the COUNTY Auditor. The COUNTY Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR

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to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

VI. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$544,404** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2025 to June 30, 2026	$544,404
TOTAL MAXIMUM COUNTY OBLIGATION:	**$544,404**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VII. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

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VIII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

IX. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	Telecare Corporation
	Business Name of Contractor
Signed by: Dawan Utecht D954F5E3834B421...	Dawan Utecht
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/31/2025 | 9:36 AM PDT	Senior Vice President/CDO
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	Telecare Corporation		
Name of Contractor's Designee	Dawan Utecht		
Title of Designee	Senior Vice President/CDO		
Street	1080 Marina Village Parkway, Suite 100		
City	Alameda	State CA	Zip 94501
IRS Employer Identification Number		94-1735271	

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by: Dawan Utecht
D9545F38348424...

Signature of Contractor

Date 7/31/2025 | 9:36 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3-year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

	Telecare Corporation
	Contractor (Organization Name)
Signed by: Dawan Utecht D954F5E3834B421...	Dawan Utecht
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/31/2025 | 9:36 AM PDT	Senior Vice President/CDO
Date	Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and TELECARE CORPORATION ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

TELECARE CORPORATION
Attn: Dawan Utecht
Senior Vice President / Chief Development Officer
1080 Marina Village Pkwy, Ste. 100, Alameda, CA 94501
Phone: (510) 337-7950
Fax: (510) 337-7969
Email: dutecht@telecarecorp.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Dawan Utecht D954F5E3834B421...	By:
Print Name Dawan Utecht	Print Name: Elsa M. Jimenez
Print Title Senior Vice President/CDO	Print Title: Director of Health Services
Date: 7/31/2025 | 9:36 AM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	Telecare Corporation	Invoice Number :	
Address Line 1	1080 Marina Village Pkwy, Suite 100	County PO No. :	
Address Line 2	Alameda, CA 94501	Invoice Period :	
Tel. No.:	(510) 337-7950		
Fax No.:			
Contract Term:	July 1, 2025 - June 30, 2026	Final Invoice :	(Check if Yes)
BH Division :	Mental Health		BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2025-26	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Garfield Enhanced Treatment Rate			$323.86	365			0	365	100%	$ 118,209	$ -		$ -	$ 118,208.90	100%
Medi-Cal Rate + ET Patch			$747.72	0			0	0	#DIV/0!	$ -	$ -		$ -	$ -	#DIV/0!
Morton-Baker M-C Eligible 65 yr+			$167.94	1,460			0	1,460	100%	$ 245,192	$ -		$ -	$ 245,192.40	100%
Morton-Baker Non-M-C Eligibile/M-C Eligible <65			$460.25	365			0	365	100%	$ 167,991	$ -		$ -	$ 167,991.25	100%
1:1 Enhanced Services			$45.36	250			0	250	100%	$ 11,340			$ -	$11,340	100%
Escort Services			$33.42	50			0	50	100%	$ 1,671				$1,671	100%
TOTALS				2,490	0	0	0	2,490	100%	$544,404	0.00	0.00	0.00	$544,404	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: **MCHDBHFinance@countyofmonterey.gov**

Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____

Authorized Signatory Date

Introduced: 8/13/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Inspire Behavioral Health, LLC for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $1,489,685 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard Commercial General Liability insurance provisions of claims-based coverage; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($148,968) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,638,653.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Inspire Behavioral Health, LLC for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $1,489,685 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard Commercial General Liability insurance provisions of claims-based coverage; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($148,968) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,638,653.

SUMMARY/DISCUSSION

The County contracted with Inspire Behavioral Health, LLC for mental health services to Monterey County adult residents with severe psychiatric disabilities in a Skilled Nursing Facility for the periods of Fiscal Years (FY) 2008-2025. Inspire Behavioral Health, LLC is a Skilled Nursing Facility, Institution for Mental Disease for adults with psychiatric impairments and disabilities that required a locked skilled nursing level of care. Treatment includes individualized programs and services to assist clients in their development of new skills.

This Agreement with Inspire Behavioral Health, LLC is for one (1) fiscal year term from July 1, 2025

to June 30, 2026, which renews and updates Agreement A-17000 ending June 30, 2025. This Agreement renews the same contract provisions but increases the number of beds from nine (9) to eleven (11) beds based on historical usage.

Due to late and ongoing contract negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement meets the requirements of the State Welfare and Institutions Code 5600 (Bronzan-McCorquodale Act) and the California Code of Regulations Titles 9 &22 and sustains the continuity of core services to seriously mentally ill clients of Monterey County.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This Agreement contains a non-standard insurance provision of claims-based coverage. Like the previous years, the vendor is able to provide a claims-based coverage subject to a $3,000,000 aggregate claim amount as part of its Commercial General Liability insurance.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by the 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 8/13/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Inspire Behavioral Health, LLC for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $1,489,685 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard Commercial General Liability insurance provisions of claims-based coverage; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($148,968) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,638,653.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Inspire Behavioral Health, LLC for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities in a secure Skilled Nursing Facility as an Institution for Mental Disease (IMD), for a maximum County obligation of $1,489,685 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard Commercial General Liability insurance provisions of claims-based coverage; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($148,968) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,638,653.

SUMMARY/DISCUSSION

The County contracted with Inspire Behavioral Health, LLC for mental health services to Monterey County adult residents with severe psychiatric disabilities in a Skilled Nursing Facility for the periods of Fiscal Years (FY) 2008-2025. Inspire Behavioral Health, LLC is a Skilled Nursing Facility, Institution for Mental Disease for adults with psychiatric impairments and disabilities that required a locked skilled nursing level of care. Treatment includes individualized programs and services to assist clients in their development of new skills.

This Agreement with Inspire Behavioral Health, LLC is for one (1) fiscal year term from July 1, 2025

to June 30, 2026, which renews and updates Agreement A-17000 ending June 30, 2025. This Agreement renews the same contract provisions but increases the number of beds from nine (9) to eleven (11) beds based on historical usage.

Due to late and ongoing contract negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement meets the requirements of the State Welfare and Institutions Code 5600 (Bronzan-McCorquodale Act) and the California Code of Regulations Titles 9 &22 and sustains the continuity of core services to seriously mentally ill clients of Monterey County.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This Agreement contains a non-standard insurance provision of claims-based coverage. Like the previous years, the vendor is able to provide a claims-based coverage subject to a $3,000,000 aggregate claim amount as part of its Commercial General Liability insurance.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by the 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Docusign Envelope ID: 2D1E7608-CF11-4C5C-B43D-B5BD04E613C9

COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **INSPIRE BEHAVIORAL HEALTH, LLC** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short–Doyle Skilled Nursing Facility for psychiatric care of adults as an Institution for Mental Disease (IMD).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Jacob Unger, LLC Manager
Inspire Behavioral Health, LLC.
401 Ridge Vista Avenue
San Jose, CA 95127
(408) 923-7232
(408) 254-8380 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/8/2025 | 10:20 AM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz F79EF64E57454E6...
Auditor-Controller's Office

Date: 8/8/2025 | 1:25 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

INSPIRE BEHAVIORAL HEALTH, LLC.
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: Jacob Unger 053A9FF79D8A4FA...
(Signature of Chair, President, or Vice-President) *

Jacob Unger, LLC Manager
Name and Title

Date: 7/8/2025 | 4:08 PM PDT

By: DocuSigned by: Jacob Unger 053A9FF79D8A4FA...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Jacob Unger, LLC Manager
Name and Title

Date: 7/8/2025 | 4:08 PM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1] Approval by the Office of the County Counsel is required.

[2] Approval by Auditor-Controller is required.

[3] Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: Inspire Behavioral Health, LLC

Service Address: 401 Ridge Vista Avenue
San Jose, CA 95127

Incorporation Status: Private, for profit, Corporation

Type of Facility: Skilled Nursing Facility / Institution of Mental Disease (IMD).

Type of License: Skilled Nursing Facility

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a locked skilled nursing level of care.

III. PROGRAM DESCRIPTION

Treatment services include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through patient assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:
   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:
   a) Behavior modification modalities;
   b) Re-motivation therapy;
   c) Patient government activities;
   d) Group counseling;

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e) Individual counseling;
f) Interpersonal Relationships. This shall include but not be limited to social counseling;
g) Educational and recreational training;
h) Social activities such as outings, dances, etc.;
i) Understanding of legal issues and court processes.

3. Pre-vocational Preparation Services. This shall include but not be limited to:
   a) Homemaking;
   b) Work activity;
   c) Vocational counseling; work habits
   d) Pre-release planning;
   e) Out-of-home planning;
   f) Linkage to medical services in the community as needed.

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health Bureau (MCBHB) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and program service.

C. To restore the client's level of functioning in the community to a lower level of care.

D. To increase the client's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of decompensate, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

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The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. Individuals in need of 24-hour skilled nursing services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation or physical illnesses (without psychiatric component) shall not be considered for admission. All admissions are subject to the prior authorization from the COUNTY and CONTRACTOR's commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental illness, clients are unable to provide for their basic needs.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

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If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. TYPES OF SERVICES / SERVICE LEVELS

The following program service levels will be provided within Fiscal Year 2025-26 at the specified Supplemental Rate, which amount is in addition to the base DHCS payment rate outlined in Exhibit B, Section III (A).

Service Type / Designation	Supplemental Rate/Day	Target Population / Service Description
Special Treatment Program: Mild	$40.00	There are no additional services provided for this additional Supplemental Rate beyond those outlined in the Program Description above in Section III. Special Treatment Program staffing includes: • Masters level Program Director to oversee the program. Coordinates care with nursing, psychiatrist, psychologist, and outside agencies. • Primary Counselors Masters level or in the process of obtaining masters. Completes initial assessments/MDS, develop care plans, monthly documentation, provides individual counseling. Interfaces with outside agencies, psychiatrist, and psychologist • Bachelors Level Mental Health Counselors – Group facilitators on majority of daily groups/activities. Works with nursing to ensure resident completes ADL • Daily Activity Assistants • All staff trained in CPI (Crises Prevention Institute) NCI- Nonviolent Crises Intervention and receive additional ongoing in-services recognizing signs and symptoms of residents escalating behavior and how to intervene. • Psychologist and psychiatrist provide ongoing in-service training.
Enhanced Services: The target population are adults with serious and persistent mental health conditions whose behavior requires more intensive behavioral training and programming than is available from traditional Basic SNF Services. It is anticipated that the intensive treatment and staffing provided by enhanced services will prevent State Hospital admissions. Clients needing these services are male or female; have a major psychiatric diagnosis, organic brain syndrome or major mental disorder; are a LPS conservatee of the County; may be physically impaired, perhaps non-ambulatory; and present a special or unusual behavior management issue. The major objectives for these services are: to control and modify the client's destructive behavior; and, to prevent or reduce acute psychiatric hospitalization or long term State hospitalization. Enhanced Services are designed to serve clients who have higher levels of psychiatric impairment and/or whose adaptive functioning is severely impaired as compared to the Special Treatment Program: Mild cases outlined above. The target population may include persons who are often at risk of elopement and occasionally assaultive or self-destructive. They may have complicated medical problems. Additionally, they may require specialized services to ensure a successful transition to community living.		

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Enhanced Services: Moderate Tier	$80.00	This tier encompasses additional service for clients that require additional services including above those provided in a typical skilled nursing treatment setting, including specialized medical treatment for specified medical conditions, more intense supervision and specialized treatment plans. Clients, who may be impaired, have some concurrent medical problems, may be chronic and require routine and frequent interventions, intensive programing and supervision and support. The Denoted Rate takes into account the additional staff time needed to provide intensive supervision and unique mental health treatment interventions. Examples of Residents that meet this requirement: • Chronic mental health diagnosis, with active delusions and hallucinations and/or mood swings • AWOL Risk patients • Verbally aggressive/threatening • Resistive to ADL care i.e. struggles with staff. • Repetitive questioning of others
Enhanced Services: Subacute Tier	$120.00	This tier encompasses Clients with behaviors that may require additional supervision and high level of behavioral interventions over and above the Mild/Moderate Tier. These clients may also have serious concurrent medical problems and require a high-level of nursing interventions. Generally, these clients require more robust behavioral treatment plans, greater in-house counseling hours, increased monitoring and redirection from dedicated mental health workers (including 1:1 care), in addition to greater utilization of psychiatry/psychology services. Examples of Residents that meet this requirement: • Periodic physical aggression towards staff or peers • Two people assist with ADL - strikes out at staff. • Risk of Property destruction • Constant wandering behavior • Maladaptive behaviors that require frequent counseling and attention from direct care staff • Severe psychosis which requires frequent redirection/counseling/behavior modification from unit staff

A. CONTRACTOR agrees to coordinate with the COUNTY Placement Team Manager or members to determine initial level of care, and to contact the Designated Contract Monitor or other member of the Placement Team prior to placing a patient at one the two Enhanced Services tiers described above, so that a so that a timely assessment can be made by the COUNTY in conjunction with Inspire Behavioral Health physician staff.

XI. LIMITATIONS OF SERVICE

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The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR's State of California license.

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Monitor.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.

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- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

XV. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. REIMBURSEMENT FOR BASIC AND SPECIAL TREATMENT PROGRAM (STP) SERVICES

A. The base payment rate shall be a negotiated amount or up to the maximum per diem rate established by the State of California Department of Health Care Services for Medi-Cal Free-Standing Nursing Facilities Level B designated as Institutions of Mental Disease (IMD) for the "SF Bay Area Counties" region, based on the Accomodation Code 01 (60+ beds) rate published July 1, 2019, with 3.5% added for each subsequent fiscal year (FY). The Special Treatment Program (STP) Patch rate of $5.72 is added to the per diem rate. Effective for dates of service on or after May 12, 2023, the rate reduction for IMD leave of absence and bed hold for acute hospitalization is updated to $9.46 per diem. The State establishes these rates annually and they are accessible through the Department of Health Care Services website www.dhcs.ca.gov.

B. In addition to the base payment rates as set by DHCS outlined in the above Section III (A), COUNTY will pay a supplemental rate based on the assessed severity level of the patient at the time of admission, or when the patient is subsequently moved to a higher or lower level of care after assessment by CONTRACTOR and approval by COUNTY.

C. PAYMENT RATES

The following services will be paid in arrears at the rate of the DHCS daily rate with patch PLUS Special Treatment Program or Enhanced Services Supplemental Patch for a combined maximum daily rate of **$331.03** per unit for Special Treatment Program Mild severity patients, **$371.03** per unit for Moderate Tier severity patients, and **$411.03** per unit for Subacute Tier severity patients, for a total maximum of **$1,489,685** for the 1-year term of the Agreement.

Based on current / average severity levels at the Inspire Behavioral Health, LLC facility, Units of Service (UOS) are estimated at the Enhanced Services Moderate Tier for maximum agreement liability calculation.

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TOTAL DHCS RATE + STP / ENHANCED SERVICES SUPPLEMENTAL PATCH - FY 2025-26					
Service Type	**DHCS Daily Rate w/Patch**	**Average Supplemental Daily Patch Rate**	**Combined Daily Rate**	**Estimated # of Units**	**Yearly Estimated Cost**
Special Treatment Program: Mild	$291.03	$40.00	$331.03	0	$0
Enhanced Services: Moderate Tier	$291.03	$80.00	$371.03	4015	$1,489,685
Enhanced Services: Subacute Tier	$291.03	$120.00	$411.03	0	$0
			TOTAL AGREEMENT MAXIMUM LIABILITY:		**$1,489,685**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on the Cost Reimbursement Invoice Form provided as Exhibit G to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

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E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY:

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$1,489,685** for services rendered under this Agreement.

B. Maximum Annual Liability

FISCAL YEAR	AMOUNT
July 1, 2025 - June 30, 2026	$1,489,685
TOTAL AGREEMENT MAXIMUM LIABILITY:	**$1,489,685**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited

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to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	Inspire Behavioral Health, LLC
	Business Name of Contractor
DocuSigned by: Jacob Unger 053A0E570D8A4EA...	Jacob Unger
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/8/2025 | 4:08 PM PDT	Manager
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	Inspire Behavioral Health, LLC		
Name of Contractor's Designee	Jacob Unger		
Title of Designee	Manager		
Street 401 Ridge Vista Ave.			
City San Jose	State CA	Zip 95127	
IRS Employer Identification Number	86-2560538		

I certify that the above information is complete and correct to the best of my knowledge and belief.

DocuSigned by: Jacob Unger
053A9FF79D8A4EA...

Signature of Contractor

Date 7/8/2025 | 4:08 PM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.

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- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

DocuSigned by:
Jacob Unger
053A9FF79D8A4FA...
Signature of Authorized Representative

7/8/2025 | 4:08 PM PDT
Date

Inspire Behavioral Health, LLC
Contractor (Organization Name)

Jacob Unger
Name of Authorized Representative (*printed*)

Manager
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and INSPIRE BEHAVIORAL HEALTH, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

INSPIRE BEHAVIORAL HEALTH, LLC
Attn: Joshua Gastwirth, CEO
401 Ridge Vista Avenue
San Jose, CA 95127
Phone: (408) 923) 7232
Fax: (408) 254-8380
Email: shuagas@gmail.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Jacob Unger 053A0FF70D8A4FA...	By:
Print Name Jacob Unger	Print Name: Elsa M. Jimenez
Print Title Manager	Print Title: Director of Health Services
Date: 7/8/2025 | 4:08 PM PDT	Date:

Docusign Envelope ID: 2D1E7608-CF11-4C5C-B43D-B5BD04E613C9

EXHIBIT G: Cost Reimbursement Invoice Form

COUNTY OF MONTEREY, Behavioral Health Bureau

		Invoice Number:	
Contractor:	Inspire Behavioral Health, LLC		
Address Line 1	401 Ridge Vista Avenue, San Jose, CA 95127	**County PO No.:**	
Tel. No.:	**(408) 923-7232**		
Fax No.:	**(408) 254-8380**		
Contract Term:	FY 2025-2026	**Final Invoice :**	(Check if Yes)

FUNDED PROGRAM:

AVATAR Program,Mode and Service Function Code

Financial Eligibility (Admision Criteria)

Unduplicated Number of Clients Served:

Identify Program

Service Description	Mode of Service	SFC	Units of Service (UOS) Delivered This Period	UOS Delivered Last Period	UOS Delivered Year-to-Date	Negotiated Rate per Unit	Total Contract Amount	Dollar Amount Requested This Period	Dollar Amount Requested Last Period	Dollar Amount Requested Year-to-Date	Contract Dollar Amount Remaining
Inspire Behavioral Health, LLC - San Jose Facility	5	30-34					$ 1,489,685.00				$ 1,489,685.00
Special Treatment Program: Mild Complexity	5	30-34				$ 331.03		$ -	$ -	$ -	
Enhanced Services: Moderate Tier Complexity	5	30-34				$ 371.03		$ -	$ -	$ -	
Enhanced Services: Subacute Tier Complexity	5	30-34				$ 411.03		$ -	$ -	$ -	
Bed Hold Rate -$9.46	5	30-34				$ 321.57	<-<< Enter Rate	$ -	$ -	$ -	
		TOTALS:						$ -	$ -	$ -	$ 1,489,685.00

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

Authorized Signatory

Date

County of Monterey

Board Report

Legistar File Number: ORD 25-012

Item No.42

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/14/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: Ordinance

Adopt an ordinance to amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems.

Proposed California Environmental Quality Act ("CEQA") Action: Find that the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment.

RECOMMENDATION:
It is recommended that the Board of Supervisors
a. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment; and
b. Adopt an ordinance to amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems.

SUMMARY:
The proposed ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County.

The County will continue to regulate Local Small Water Systems, defined as serving 2-4 service connections and State Small Water Systems defined as a system that serves at least 5, but not more than 14, service connections, and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days per year.

On August 26, 2025, the Board of Supervisors introduced and waived the first reading of the draft ordinance and advanced the ordinance for consideration of adoption at the meeting on September 16, 2025, at 10:30 a.m.

DISCUSSION:
California Department of Public Health, under the provisions of Section 116330 of the California Health and Safety Code, has previously delegated primacy to 32 local primacy agencies (LPAs) for the regulation of public water systems with 15 to 199 service connections and certain non-community water systems. LPAs are county environmental health jurisdictions that have applied for and were granted regulatory authority over a portion of the public water systems in their county, including Monterey County. The last LPA agreement was executed July 1, 1993. In 2013, the LPA agreement was updated to clarify issues and update the partnership between Monterey County and the State to assure a healthy water supply for County residents.

The County of Monterey Environmental Health Bureau (EHB) has administered the Local Primacy Agency (LPA) program, having been committed to ensuring the safety and quality of drinking water for the community. However, the resource challenges and lack of adequate state support have placed significant strain on the ability to fulfill the requirements of the Local Primacy Delegation Agreement (LPDA). After an extensive evaluation of resources and the capacity to administer the program, the County of Monterey Environmental Health Bureau, pursuant to California Department of Public Health, under the provisions of Article 2, Section 116330 (c) (2) of the California Health and Safety Code, notified the State Water Resources Control Board that effective September 1, 2025, the County of Monterey will no longer retain local primacy.

The proposed draft ordinance was introduced to the Board of Supervisors at its meeting on August 26, 2025. The Board set September 16th at 10:30 AM as the date and time to consider adoption of the ordinance.

Monterey County Code Chapter 15.04 addresses the LPA in multiple sections. The ordinance amendment, as indicated in the red-line and clean copies of the ordinance included as Attachments 1 and 2, removes items in these sections from Monterey County Code that are no longer relevant with the return of the local primacy back to the State, and modifies Section 12 to reflect violation enforcement.

CEQA
Under the California Environmental Quality Act (“CEQA”), this ordinance is not considered a “Project” under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

While this work is not directly in support of a Health Department strategic goal, it is in support of one or more of the ten essential public health services, specifically, 2. Diagnose and investigate health problems and health hazards in the community; 3. Inform, educate, and empower people about health issues; and 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel has approved the ordinance as to form.

FINANCING:
Adoption of the ordinance will have no direct financial impacts.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The proposed ordinance supports the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☒ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services, promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Robin Kimball, Management Analyst III, 796-1297
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Attachment 1, Proposed Ordinance Redline Copy
Attachment 2, Proposed Ordinance Clean Copy

County of Monterey

Board Report

Legistar File Number: ORD 25-012

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/14/2025

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a. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment; and

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While this work is not directly in support of a Health Department strategic goal, it is in support of one or more of the ten essential public health services, specifically, 2. Diagnose and investigate health problems and health hazards in the community; 3. Inform, educate, and empower people about health issues; and 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
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FINANCING:
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BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
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- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☒ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services, promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Robin Kimball, Management Analyst III, 796-1297
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Attachment 1, Proposed Ordinance Redline Copy
Attachment 2, Proposed Ordinance Clean Copy

ORDINANCE NO._____

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA AMENDING CHAPTER 15.04 OF THE MONTEREY COUNTY CODE TO REMOVE REGULATION OF SMALL PUBLIC WATER SYSTEMS

County Counsel Summary

This ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. The State and County are terminating the Delegation Agreement and the State will take over regulation of Small Public Water Systems. This ordinance makes the appropriate amendments to memorialize this change.

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. FINDINGS AND DECLARATIONS.

A. Pursuant to Article XI, Section 7 of the California Constitution, the County of Monterey ("County") may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens.

B. Pursuant to Chapter 4, of the "California Safe Drinking Water Act", Article 2, Section 116330 *et seq*., as may be amended from time to time, the California Department of Health Services (hereinafter "Department"), may delegate primary responsibility for the administration and enforcement of the "California Safe Drinking Water Act", within a county to a local health officer authorized by a board of supervisors to assume these duties, by means of a local primacy delegation agreement if the local health officer demonstrates that it has the capability to meet the local primacy program requirements established by the Department pursuant to Section 116375(h).

C. Per state law, this delegation shall not include the regulation of community water systems serving 200 or more service connections (Health and Safety Code Section 116330).

D. Since 1993, the County has been delegated local primacy responsibility pursuant to the Delegation Agreement between the State and the County entered on July 1, 1993, and renewed annually.

E. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County. A "Small Public Water System" is defined as a system for the provision of piped water to the public for human

consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year.

F. The County will continue to regulate Local Small and State Small water systems, as defined in Monterey County Code Chapter 15.04.

G. Under the California Environmental Quality Act ("CEQA"), this ordinance is not considered a "Project" under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

SECTION 2. Section 15.04.005 of the Monterey County Code is amended to read as follows:

Under Section~~s 116330 and~~ 116340 of the California Health and Safety Code, as may be amended from time to time, the Health Officer of Monterey County has authority to regulate and carry out the local drinking water program.

SECTION 3. Subsection (b) of Section 15.04.006 of the Monterey County Code is amended to read as follows:

This Chapter is intended to ensure that the water delivered by domestic ~~public~~ water systems of Monterey County shall be pure, wholesome, and potable at all times. The provisions of this Chapter provide the means to accomplish this objective.

SECTION 4. Section 15.04.010 of the Monterey County Code is amended to read as follows:

This Chapter is intended to provide the means to ensure that the water delivered by domestic water systems shall at all times be pure, wholesome, and potable.

It is the intent of the California State Legislature to improve laws governing drinking water quality, to improve upon the minimum requirements of the Federal Safe Drinking Water Act Amendments of 1966, to establish primary drinking water standards that are at least as stringent as those established under the Federal Safe Drinking Water Act, and to establish a program that is more protective of public health than the minimum Federal requirements. (California Health and Safety Code Section 116270(f), as may be amended from time to time).~~Pursuant to Chapter 4, of the "California Safe Drinking Water Act", Article 2, Section 116330 et seq., as may be amended from time to time, the California Department of Health Services (hereinafter "Department"), may delegate primary responsibility for the administration and enforcement of the "California Safe Drinking Water Act", within a County to a local Health Officer authorized by the Board of Supervisors to assume these duties, by means of a local primacy delegation agreement if the local Health Officer demonstrates that it has the capability to meet the local primacy program requirements established by the Department pursuant to Subdivision (h) of Section 116375, as may be amended from time to time. This delegation shall not include the regulation of community water systems serving two hundred (200) or more~~

~~service connections (California Health and Safety Code Section 116330, as may be amended from time to time).~~

~~Since 1993, Monterey County has been delegated local primacy responsibility pursuant to the Delegation Agreement between the State and Monterey County entered on July 1, 1993, and renewed annually.~~

Therefore, the purposes of this Chapter are to: (1) regulate construction, installation, maintenance and operation of domestic water systems which have at least two (2), but not more than ~~one hundred ninety-nine (199)~~fourteen (14) service connections; (2) supplement minimum State laws and standards for construction, installation, maintenance, and operation of s~~S~~tate small water systems; and~~;~~ (3) regulate the quality and quantity of water supplied to and by such water systems, thereby promoting the public health, safety, and welfare.

SECTION 5. Section 15.04.020 of the Monterey County Code is amended to read as follows:

Words used in the present tense include the future as well as the present. Words used in the masculine gender include the feminine and neuter. The singular includes the plural and the plural the singular.

As used in this Chapter, unless otherwise apparent from the context:

a. "Accessory dwelling unit" has the same meaning as "dwelling unit, accessory" set forth in Monterey County Code ~~Chapter~~ Section 21.06.372, as may be amended from time to time.

b. "Centralized treatment" means a single treatment plant or device that treats all of the water supplied by a water system for human consumption.

c. "Contaminant" means any physical, chemical, biological, or radiological substance or matter in water.

d. "Consumer" means a customer or person served by the water system.

e. "Department" means the Monterey County Health Department.

f. "Director" means the Director or authorized representative of the Monterey County Health Department, designated to carry out the drinking water program.

g. "Domestic water system" means any water system including a local small water system or a~~,~~ state small water system~~, or small public water system~~.

h. "Human consumption" means the use of water for drinking, bathing or showering, hand washing, food preparation, cooking, or oral hygiene.

i. "Impacted water system" means a domestic water system that does not meet primary water quality standards per Chapter 15 of Title 22 of the California Code of Regulations, as may

be amended from time to time, as such standards are incorporated into Chapter 15.04.110 of the Monterey County Code.

j. "Local small water system" means a system for the provision of piped water for human consumption that serves at least two, but not more than four, service connections. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system. "Local small water system" does not include two or more service connections on a single lot of record where none of the dwellings are leased, rented, or offered for renumeration.

k. "Maximum contaminant level" or "MCL" means the maximum permissible level of a contaminant in water.

l. "Person" includes an individual, firm, association, partnership, corporation, and public entity.

m. "Point-of-use" or "POU" means a treatment device applied to a single tap for the purpose of reducing contaminants in drinking water at that tap.

n. "Point-of-entry" or "POE" means a treatment device applied to the drinking water entering a house or building for the purpose of reducing contaminants in the drinking water distributed throughout the house or building. Notwithstanding the foregoing, where all the water supplied by a water system for human consumption is treated by the water system via a single device or facility, regardless of location of the device or facility, the water system shall be considered to have centralized treatment.

o. "Service connection," consistent with Section 21.06.1010 of the Monterey County Code, means a connection to any habitable structure, except a guesthouse, or parcel which uses potable water from a water system for domestic and not agricultural purposes.

~~In addition, pursuant to California Health and Safety Code Section 116275(s), "service connection" means the point of connection between the customer's piping or constructed conveyance, and the water system's meter, service pipe, or constructed conveyance. A connection to a system that delivers water by a constructed conveyance other than a pipe shall not be considered a connection in determining if the system is a public water system if any of the following apply:~~

~~1. The water is used exclusively for purposes other than residential uses, consisting of drinking, bathing, and cooking or other similar uses.~~

~~2. The Health Officer determines that the alternative water to achieve the equivalent level of public health protection provided by the applicable primary drinking water regulation is provided for residential or similar uses for drinking and cooking.~~

~~3. The Health Officer determines that the water provided for residential or similar uses for drinking, cooking, and bathing is centrally treated or treated at the point of entry by the provider, a pass through entity, or the user to achieve the equivalent level of protection provided by the applicable primary drinking water regulations.~~

p. ~~"Small public water system" means a system for the provision of piped water to the public for human consumption that has at least fifteen (15) but not more than one hundred ninety-nine (199) service connections or regularly serves at least twenty-five (25) individuals at least sixty (60) days out of the year. A small public water system includes "community water system" and "noncommunity water system" as defined in Section 116275(i) and (j) respectively, of the California Health and Safety Code, and "nontransient-noncommunity water system" as defined in Section 116275(k) of the California Health and Safety Code, and a "transient-noncommunity water system" as defined in California Health and Safety Code Section 116275(o), as these sections may be amended from time to time.~~

~~q.~~ "State small water system" means a system for the provision of piped water to the public for human consumption that serves at least five, but not more than fourteen (14), service connections and does not regularly serve drinking water to more than an average of twenty-five (25) individuals daily for more than sixty (60) days out of the year. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system.

q~~r~~. "Source" means a well, spring, lake, stream, or hookup with an approved public water supply. It excludes water from a water storage tank or facility.

r~~s~~. "User" means any person using water for human consumption or domestic purposes.

s~~t~~. "User connection" means the point of connection between the user's or consumer's piping or ditch, and the water system's meter, service pipe, or ditch.

SECTION 6. Subsection (c)(4) of Section 15.04.040 of the Monterey County Code is amended to read as follows:

4. If a mutual water company, evidence satisfactory to the Director that the legal ownership of a s~~S~~tate small water system~~, or community water system,~~ will be an incorporated entity as follows: (1) a~~A~~s a condition of approval, following incorporation, the Articles of Incorporation and By~~-~~laws, for the ~~S~~state small ~~or community water system~~ shall be submitted to the Director~~;~~ and~~.~~ (2) a~~A~~s a condition of approval, a copy of the separate document which is submitted to the California Department of Real Estate, pursuant to Corporations Code Section 14312(a), as may be amended from time to time, shall be submitted to the Director. ~~(**Note: Subsection 4 changed to address timing issues between Monterey County Health Department regulatory permitting process pursuant to California Health and Safety Code Section 116540 and California Code of Regulations, Title 22, Section 64216, and the Department of Real Estate mutual water company incorporation process pursuant to Corporations Code Section 14312 et seq.)~~

SECTION 7. Subsection (a) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

a. Director's Investigation. Upon receipt of an application and all supporting documents filed pursuant to this Chapter, the Director shall make a thorough investigation of the proposed or existing system and all other circumstances and conditions which he or she deems material.

1. Following completion of the investigation and satisfaction of the requirements of this Chapter, the Department shall issue or deny the permit. The Department may impose permit conditions, requirements for system improvements, and time schedules as it deems necessary to assure a continuous, reliable and adequate source of water that is pure, wholesome, potable, and does not endanger the health of consumers at all times, and to assure that the system will be lawfully operated on a continuing basis by a responsible person.

2. Any local small or s~~S~~tate small water system that was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that the water supplier has adequate capability to assure the delivery of pure, wholesome, and potable water for human consumption. ~~(Authority: California Health & Safety Code Section 116540.~~

3. Any local small or State water system which was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that sufficient water is available from the system's sources and distribution storage facilities to provide continuous and adequate supply of drinking water for each service connection served by the system. ~~(Authority: California Health and Safety Code Section 116540).~~

4. ~~Pursuant to California Health and Safety Code Section 116540, following completion of the investigation and satisfaction of the requirements of Subsections a and b, the Department shall issue or deny the permit. The Department may impose permit conditions, requirements for system improvements, and time schedules as it deems necessary to assure a reliable and adequate supply of water at all times that is pure, wholesome, potable, and does not endanger the health of consumers.~~

~~i. No public water system that was not in existence on January 1, 1998, shall be granted a permit unless the system demonstrates to the Department that the water supplier possesses adequate financial, managerial, and technical capability to assure the delivery of pure, wholesome, and potable drinking water. This Section shall also apply to any change of ownership of a public water system that occurs after January 1, 1998. (Authority: California Health and Safety Code Section 116540(a)).~~

~~ii. No permit under this Chapter shall be issued to an association organized under Title 3 (commencing with Section 20000) of Division 3 of the Corporations Code. This Section shall not apply to unincorporated associations that as of December 31, 1990,~~

~~are holders of a permit issued under this Chapter. (Authority: California Health and Safety Code Section 116540(b)).~~

~~5.~~ No domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the appeal process below at Section 15.04.180. ~~(Authority: California Health and Safety Code Section 116540.)~~

5~~6~~. Local small or s~~S~~tate small water system shall comply with the standards and requirements as set forth in Section 15.04.130 and in the most recent edition of Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein by this reference, regarding design and construction of water systems.

SECTION 8. Subsection (b)(2) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

2. Pursuant to Subsection (a)(5) above, no domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the Appeal process below at Section 15.04.180. ~~(Authority: California Health and Safety Code Section 116540.)~~

SECTION 9. Section 15.04.070 of the Monterey County Code is amended to read as follows:

a. No person operating a domestic water system shall add or modify the system's source of supply, add or change the method of treatment of the water supply, or change the system's distribution unless an amended permit has been issued by the Director.

b. Application for an amended permit shall be made in accordance with the provisions of Section 15.04.040, and shall be investigated, considered, determined and issued or denied upon the same terms and conditions as provided in Section 15.04.050 of this Chapter.

c. An amendment to the local small or state small water system operating permit is required to allow a POU or POE treatment program that conforms to the requirements of Chapter 15.06 of the Monterey County Code. The amendment must be renewed annually by the water

system. If opportunities for grant funding resources to support long-term water treatment solutions become available, the water system shall demonstrate that it is pursuing such funding in order to be eligible for renewal.

~~d. An amendment to the small public water system operating permit is required to allow a POU or POE treatment device in accordance with state law and regulation.~~

SECTION 10. Section 15.04.130 of the Monterey County Code is amended to read as follows:

This Section incorporates Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, to establish standards and requirements for the design and construction of domestic water systems.

a. Construction of a new domestic water system shall comply with the provisions of Chapter 16 of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein, including, but not limited to, standards and requirements for basic design, water quantity, source and storage capacities, water pressure, main selection and installation, pipeline design and standards, valve selection, location and installation, disinfection of source, storage and distribution system, and other appurtenant components of the water system.

b. New water systems shall be designed and constructed such that the system provides capability to allow for future consolidation with another system, service area, or adjacent development and to facilitate future interconnection with another water system, looping systems when preferable according to engineering practices, unless special circumstances exist, as determined by the Director pursuant to Section 15.04.170.

c. Any new proposed water system and any expansion, modification, or changes to the water system shall be designed by a professional civil engineer registered in the State of California with experience in water system engineering or other qualified individual with a minimum of three years experience in water system design and construction to be approved by the Department.

d. All operating water system facilities shall be protected against unauthorized entry and vandalism.

e. Each new water supply well for the water system shall be constructed in accordance with the Monterey County ~~Ordinance 3316~~Code Chapter 15.08 and the California Department of Water Resources Bulletins 74-81 and 74-90. Proposed well sites shall be investigated to determine the distance from all contamination sources including, but not limited to, sewage collection and disposal facilities, and any hazards therefrom shall be eliminated prior to well construction.

~~f. All water systems designed for and servicing twenty (20) or more service connections shall require two sources of water supply.~~

fg. Use of water main size smaller than four inches inside diameter shall be approved by the Department prior to construction, but in no case be less than two inches inside diameter, and shall meet the following requirements:

1. The installation is designed by a professional civil engineer registered in the State of California with experience in water system engineering; and

2. The engineer submits findings to demonstrate the ability of proposed main size to meet specific water quantity demands and minimum pressures.

gh. 7057. System Pressure.

1a. Normal operating pressure at the service connection shall not be less than twenty-five (25) pounds per square inch gauge (p.s.i.g.) nor more than one hundred twenty-five (125) p.s.i.g., except that during periods of hourly maximum demand at the time of peak seasonal loads the pressure may be not less than twenty (20) p.s.i.g. and that during periods of hourly minimum demand the pressure may be not more than one hundred fifty (150) p.s.i.g. Variations in pressures under normal operation shall not exceed fifty (50) percent of the average operating pressure. The average operating pressure shall be determined by computing the arithmetical average of at least twenty-four (24) consecutive hourly pressure readings.

2b. In a water system supplying customers at widely varying elevations, the water system utility may furnish a service which does not comply with the foregoing pressure specification, if the customer is fully advised of the conditions under which average service may be expected, and the customer's agreement is secured in writing.

3c. New water systems, or new pressure zones in existing water systems supplying customers at substantially constant elevation shall be designed to maintain an operating pressure at the service connection of not less than thirty-five (35) p.s.i.g. nor greater than one hundred (100) p.s.i.g.

SECTION 11. Subsection (c) of Section 15.04.146 of the Monterey County Code is amended to read as follows:

c. Point-of-Use or Point-of-Entry Treatment.

~~1.~~ In lieu of a centralized treatment facility, a local small or state small water system may choose to install a POU or POE treatment device at each connection in conformance with the regulations specified in Chapter 15.06 of the Monterey County Code, as may be amended from time to time, subject to approval by the Director.

~~2. In lieu of a centralized treatment facility and to the extent allowable under state law, a small public water system may install a POU or POE treatment device at each connection in conformance with California Health and Safety Code section 116380, as may be amended, and the state regulations adopted pursuant to section 116380, subject to approval by the Director.~~

SECTION 12. Subsection (a) of Section 15.04.147 of the Monterey County Code is amended to read as follows:

a. No sState small water system shall add additional service connections to the system such that the total number of service connections served by the system exceeds fourteen (14) before the water system has applied and received from the Director State Water Board a permit to operate as a public water system as defined by Chapter 7 of the California Safe Drinking Water Act (Health and Safety Code Section 116270, *et seq*., as may be amended).

SECTION 13. Section 15.04.195 of the Monterey County Code is amended to read as follows:

a. The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.

b. It shall be unlawful for any person to violate any provision, or to fail to comply with any of the requirements, of this Chapter. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter shall be guilty of a misdemeanor. No proof of knowledge, intent, or other mental state is required to establish a violation.

c. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter shall be deemed a public nuisance and shall, at the discretion of County, create a cause of action for penalty pursuant to Chapters 1.20 and 1.22 of the Monterey County Code, and any other action authorized by law.

d. Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Monterey County Code or otherwise authorized by law. Additionally, as a public nuisance, any violation of this Chapter shall be subject to injunctive relief, disgorgement of any payment to the County of any and all monies unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, attorney fees, restitution, and any other relief or remedy available at law or in equity. The County, including the Office of the District Attorney and the Office of the County Counsel, may also pursue any and all remedies and actions available and applicable under state and local laws for any violations.

e. For purposes of administration and enforcement of this Chapter generally, the Director may from time to time promulgate such administrative rules and procedures consistent with the purpose and intent of this Chapter as he or she deems necessary to implement or clarify such provisions or aid in enforcement.

~~The provisions of this Chapter shall be enforced pursuant to California Health and Safety Code Section 11625 et seq. as follows, and as may be amended from time to time, and incorporated herein by this reference:~~

~~A.Violations: Revocation and Suspension of permits. (Authority: California Health and Safety Code Section 11625)~~

~~1. The Department, after a hearing noticed and conducted as provided in Section 11500 of the Government Code, may suspend or revoke any permit issued pursuant to this Chapter if the Department determines pursuant to the hearing that the permittee is not complying with the permit, this Chapter, or any regulation, standard, or order issued or adopted thereunder, or that the permittee has made a false statement or representation on any application, record, or report maintained or submitted for purposes of compliance with this Chapter.~~

~~2. Upon exhaustion of administrative remedies consistent with the provisions of this Chapter, the permittee may file with the Superior Court a Petition for a Writ of Mandate for review of any decision of the Department, which has been appealed to the Monterey County Board of Supervisors, or California Regional Water Quality Control Board, as applicable, made pursuant to Subsection 1.~~

~~3. The Department may temporarily suspend any permit issued pursuant to this Chapter prior to any hearing when the action is necessary to prevent an imminent or substantial danger to health. The Director shall notify the permittee of the temporary suspension and the effective date thereof and, at the same time, notify the permittee that a hearing has been scheduled. The hearing shall be held as soon as possible, but not later than fifteen (15) days after the effective date of the temporary suspension. The temporary suspension shall remain in effect until the hearing is completed and the Director has made a final written determination on the merits, that in any event shall be made within fifteen (15) days after the completion of the hearing. If the determination is not transmitted within 15 days after the hearing is completed, the temporary suspension shall be of no further effect. (Authority: California Health and Safety Code Section 11625).~~

~~However, if for any reason the hearing date, or hearing on the merits, has been continued by the Director, the temporary suspension shall continue until such time as the hearing has been completed, and the Director has made a final written determination on the merits. In any event, the final written determination of the Director shall be transmitted within fifteen (15) days after completion of the hearing, or continued hearing, as applicable.~~

~~B.Remedies.~~

~~1. Citations. (Authority: California Health and Safety Code Section 116650)~~

~~a. If the Department determines that a domestic water system is in violation of this Chapter or any regulation, permit standard, or order issued or adopted thereunder, the Department may issue a citation to the domestic water system. The citation shall be served upon the domestic water system personally or by registered mail.~~

~~b. Each citation shall be in writing and shall describe with particularity the nature of the violation, including a reference to the statutory provision, standard, order or regulation alleged to have been violated.~~

~~c. For continuing violations, the citation shall fix the earliest feasible time for elimination or correction of the condition constituting the violation where appropriate. If the domestic water system fails to correct a violation within the time specified in the citation, the Department may assess a civil penalty as specified in Subsection e.~~

d. For a non-continuing violation of primary drinking standards, other than turbidity, the Department may assess in the citation a civil penalty as specified in Subsection e.

e. Citations issued pursuant to this Section shall be classified according to the nature of the violation or the failure to comply. The Department shall specify the classification in the citation and may assess civil penalties for each classification as follows:

1. For violation of a primary drinking standard (denotes primary or secondary drinking water standards as set forth in Chapter 15, Title 22, California Code of Regulations, as may be amended from time to time, and incorporated herein by this reference), other than turbidity, an amount not to exceed one thousand dollars ($1,000.00) for each day that the violation occurred for non-continuing violations or for each day that the violation continues beyond the date specified for correction in the citation.

2. For failure to comply with any citation or order issued for failure of the primary drinking water standard for turbidity or for violation of a secondary drinking water standard[1] that the Director determines may have a direct or immediate relationship to the welfare of the users, an amount not to exceed one thousand dollars ($1,000.00) for each day that the violation continues beyond the date specified for correction in the citation.

3. For failure to comply with any citation or order issued for noncompliance with any Department regulation or order, other than a primary or secondary drinking water standard, an amount not to exceed two hundred dollars ($200.00) per day for each day the violation continues beyond the date specified for correction in the citation.

2. Orders. (Authority: California Health and Safety Code Section 116655)

a. Whenever the Department determines that any person has violated or is violating this Chapter, or any permit, regulation, or standard issued or adopted pursuant to this Chapter, the Director may issue an order doing any of the following:

1. Directing compliance forthwith.

2. Directing compliance in accordance with a time schedule set by the Department.

3. Directing that appropriate preventive action be taken in the case of a threatened violation.

b. An order issued pursuant to this Section may include, but shall not be limited to, any or all of the following requirements:

1. That the existing plant, works, or system be repaired, altered, or added to.

2. That purification or treatment works be installed.

3. That the source of the water supply be changed.

4. That no additional service connection be made to the system.

5. That the water supply, the plant, or the system be monitored.

6. That a report on the condition and operation of the plant, works, system, or water supply be submitted to the Department.

3. Injunctions. (Authority: California Health and Safety Code Section 116660)

~~a. Any person who operates a domestic water system without having an unrevoked permit to do so, may be enjoined from so doing by any Court of competent jurisdiction at the suit of the Department.~~

~~b. When the Department determines that any person has engaged in or is engaged in any act or practice that constitutes a violation of this Chapter, or any regulation, permit, standard, or order issued or adopted thereunder, the Department may bring an action in the Superior Court for an order enjoining the practices or for an order directing compliance.~~

~~c. Upon a showing by the Department of any violation set forth in Subsection b; the Superior Court shall enjoin the practices and may do any of the following:~~

~~1. Enforce a reasonable plan of compliance, including the appointment of a competent person, to be approved by the Department, and paid by the operator of the domestic water system, who shall take charge of and operate the system so as to secure compliance.~~

~~2. Enjoin further service connections to the domestic water system.~~

~~3. Afford any further relief that may be required to insure compliance with this Chapter.~~

~~4. Receivership. (Authority: California Health and Safety Code Section 116665)~~

~~Whenever the Department determines that any domestic water system is unable or unwilling to adequately serve its users, has been actually or effectively abandoned by its owners, or is unresponsive to the rules or orders of the Department, the Department may petition the Superior Court for the County within which the system has its principal office or place of business for the appointment of a Receiver to assume possession of its property and to operate its system upon such terms and conditions as the Court shall prescribe. The Court may require, as a condition to the appointment of the Receiver, that a sufficient bond be given by the Receiver and be conditioned upon compliance with the orders of the Court and the Department, and the protection of all property rights involved. The Court may provide, as a condition of its Order, that the Receiver appointed pursuant to the Order shall not be held personally liable for any good faith, reasonable effort to assume possession of, and to operate, the system in compliance with the Order.~~

~~5. Nuisance and Summary Abatement. (Authority: California Health and Safety Code Section 116670)~~

~~Anything done, maintained, or suffered as a result of failure to comply with any primary drinking water standard is a public nuisance dangerous to health, and may be enjoined or summarily abated in the manner provided by law. Every public officer or body lawfully empowered to do so shall abate the nuisance immediately.~~

~~6. Actions Against Domestic Water Systems. (Authority: California Health and Safety Code Section 116675)~~

~~The Department shall, after adequate notification, take action authorized by this Chapter against a domestic water system under the jurisdiction of the Department, if any of the following occur:~~

~~a. The domestic water system has been in violation of any provision of this Chapter or the regulations adopted hereunder, including any violation of compliance with drinking water standards or waterworks standards, as may be amended from time to time, which shall include~~

~~any applicable State or county standards, laws or regulations, as applicable, and in furtherance of the purpose and provisions of this Chapter, for a period of at least ninety (90) days within the previous year.~~

~~b. A contaminant is present in, or likely to enter, a public water system and presents an imminent and substantial danger to the health of the users of the system.~~

~~C.Judicial Review: Writ of Mandate. (Authority: Health and Safety Code Section 116700)~~

~~a. Within thirty (30) days after service of a copy of a final decision, order or determination by the Monterey County Board of Supervisors or the California Regional Water Quality Control Board as applicable, upon an Appeal of the Director's decision, order or determination, concerning any order or determination, issued by the Department, and upon exhaustion of any and all administrative remedies, any aggrieved party may file with the Superior Court a Petition for a Writ of Mandate for review thereof. Failure to file an action shall not preclude a party from challenging the reasonableness and validity of a decision, order, or determination of the Department in any judicial proceedings brought to enforce the decision, order, or determination, or for any civil or criminal remedy authorized by this Chapter.~~

~~b. The evidence before the Court shall consist of all relevant evidence that, in the judgment of the Court, should be considered to effectuate and implement the provisions of this Chapter. In every case, the Court shall exercise its independent judgment on the evidence.~~

~~c. Except as otherwise provided in this Section, subdivisions (e) and (f) of Section 1094.5 of the Code of Civil Procedure shall govern proceedings pursuant to this Section.~~

~~D.Crimes and Penalties.~~

~~1. Civil Penalties. (Authority: California Health and Safety Code Section 116725)~~

~~a. Any person who knowingly makes any false statement or representation in any application, record, report, or other document submitted, maintained, or used for purposes of compliance with this Chapter, may be liable, as determined by the Court, for a civil penalty not to exceed five thousand dollars ($5,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~b. Any person who violates a citation schedule of compliance for a primary drinking water standard of the California Safe Drinking Water Act, as may be amended from time to time, or a citation schedule of compliance for any of the provisions of this Chapter, other than turbidity, or any order regarding a primary drinking water standard other than turbidity, or the requirement that a reliable and adequate supply of pure, wholesome, healthful, and potable water be provided may be liable, as determined by the Court, for a civil penalty not to exceed twenty-five thousand dollars ($25,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~c. Any person who violates any order, other than one specified in Subdivision b, issued pursuant to this Chapter may be liable, as determined by the Court, for a civil penalty not to exceed five thousand dollars ($5,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~d. Any person who operates a domestic water system without a permit issued by the Department pursuant to this Chapter may be liable, as determined by the Court, for a civil~~

~~penalty not to exceed twenty-five thousand dollars ($25,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~e. Each civil penalty imposed for any separate violation pursuant to this Section shall be separate and in addition to any other civil penalty imposed pursuant to this Section or any other provision of law.~~

~~2. Misdemeanors and Felonies. (Authority: California Health and Safety Code Section 116730).~~

~~a. Any person who knowingly does any of the following acts may, upon conviction, be punished by a fine of not more than twenty-five thousand dollars ($25,000.00) for each day of violation, or by imprisonment in the County Jail not to exceed one year, or by both the fine and imprisonment:~~

~~1. Makes any false statement or representation in any application, record, report, or other document submitted, maintained, or used for the purposes of compliance with this Chapter.~~

~~2. Has in his or her possession any record required to be maintained pursuant to this Chapter that has been altered or concealed.~~

~~3. Destroys, alters, or conceals any record required to be maintained pursuant to this Chapter.~~

~~4. Withholds information regarding an imminent and substantial danger to the public health or safety when the information has been requested by the Department in writing and is required to carry out the Department's responsibilities pursuant to this Chapter in response to an imminent and substantial danger.~~

~~5. Violates an order issued by the Department pursuant to this Chapter that has a substantial probability of presenting an imminent danger to the health of persons.~~

~~6. Operates a domestic water system without a permit issued by the Department pursuant to this Chapter.~~

~~b. If the conviction under subdivision a is for a violation committed after a first conviction of the person under this Section, the person may be punished by imprisonment in the State Prison for up to twenty-four (24) months, or in the County Jail for not to exceed one year, or by a fine of not less than two thousand dollars ($2,000.00) or more than fifty thousand dollars ($50,000.00) per day of violation, or by both the fine and imprisonment.~~

~~3. Inspection Authority. (Authority: California Health and Safety Code Section 116735)~~

~~a. In order to carry out the purposes of this Chapter, any duly authorized representative of the Department may, at any reasonable hour of the day, do any of the following:~~

~~1. Enter and inspect any domestic water system or any place where the public water system records are stored, kept, or maintained.~~

~~2. Inspect and copy any records, reports, test results, or other information required to carry out this Chapter.~~

~~3. Set up and maintain monitoring equipment for purposes of assessing compliance with this Chapter.~~

~~4. Obtain samples of the water supply.~~

~~5. Photograph any portion of the system, any activity, or any sample taken.~~

~~b. The Department shall inspect each domestic water system at a frequency established by the Director, and shall provide an opportunity for a representative of the domestic water system to accompany the representative of the Department during the inspection of the water system.~~

~~c. It shall be a misdemeanor for any person to prevent, interfere with, or attempt to impede in any way any duly authorized representative of the Department from undertaking the activities authorized by Subdivision a.~~

~~4. Civil Penalty Collection. (Authority: California Health and Safety Code Section 116740). If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, the Attorney General or the district attorney shall recover the amount for which the person is liable in the Superior Court. In this action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.~~

~~5. Remedies are cumulative. (Authority: California Health and Safety Code Section 116745)~~

~~The remedies provided by this Chapter are cumulative and shall not be construed as restricting any remedy, provisional or otherwise, provided by law for the benefit of any party, and no judgment under this Chapter shall preclude any party from obtaining additional relief based upon the same facts.~~

~~6. Tampering with public water systems. (Authority: California Health and Safety Code Section 116750)~~

~~a. Any person who tampers with a public water system is guilty of a felony and shall be punished by imprisonment in the State Prison for three, four, or five years, subject to a fine not to exceed thirty thousand dollars ($30,000.00), or both.~~

~~b. Any person who tampers with or makes a threat to tamper with a domestic water system is guilty of a felony and shall be punished by imprisonment in the State Prison for sixteen (16) months, two, or three years, subject to a fine not to exceed twenty thousand dollars ($20,000.00), or both.~~

~~c. For purposes of this Section, the term "tamper" means either of the following:~~

~~1. To introduce a contaminant into a domestic water system with the intention of harming persons.~~

~~2. To otherwise interfere with the operation of a domestic water system with the intention of harming persons.~~

SECTION 14. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 15. EFFECTIVE DATE. This ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED on this ___ day of _____, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Christpher M. Lopez, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Kelly L. Donlon
Chief Assistant County Counsel

ORDINANCE NO._____

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA AMENDING CHAPTER 15.04 OF THE MONTEREY COUNTY CODE TO REMOVE REGULATION OF SMALL PUBLIC WATER SYSTEMS

County Counsel Summary

This ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. The State and County are terminating the Delegation Agreement and the State will take over regulation of Small Public Water Systems. This ordinance makes the appropriate amendments to memorialize this change.

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. FINDINGS AND DECLARATIONS.

A. Pursuant to Article XI, Section 7 of the California Constitution, the County of Monterey ("County") may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens.

B. Pursuant to Chapter 4, of the "California Safe Drinking Water Act", Article 2, Section 116330 *et seq*., as may be amended from time to time, the California Department of Health Services (hereinafter "Department"), may delegate primary responsibility for the administration and enforcement of the "California Safe Drinking Water Act", within a county to a local health officer authorized by a board of supervisors to assume these duties, by means of a local primacy delegation agreement if the local health officer demonstrates that it has the capability to meet the local primacy program requirements established by the Department pursuant to Health and Safety Code Section 116375(h).

C. Per state law, this delegation shall not include the regulation of community water systems serving 200 or more service connections (Health and Safety Code Section 116330).

D. Since 1993, the County has been delegated local primacy responsibility pursuant to the Delegation Agreement between the State and the County entered on July 1, 1993, and renewed annually.

E. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County. A "Small Public Water System" is defined as a system for the provision of piped water to the public for human

consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year.

F. The County will continue to regulate Local Small and State Small water systems, as defined in Monterey County Code Chapter 15.04.

G. Under the California Environmental Quality Act ("CEQA"), this ordinance is not considered a "Project" under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

SECTION 2. Section 15.04.005 of the Monterey County Code is amended to read as follows:

Under Section 116340 of the California Health and Safety Code, as may be amended from time to time, the Health Officer of Monterey County has authority to regulate and carry out the local drinking water program.

SECTION 3. Subsection (b) of Section 15.04.006 of the Monterey County Code is amended to read as follows:

This Chapter is intended to ensure that the water delivered by domestic water systems of Monterey County shall be pure, wholesome, and potable at all times. The provisions of this Chapter provide the means to accomplish this objective.

SECTION 4. Section 15.04.010 of the Monterey County Code is amended to read as follows:

This Chapter is intended to provide the means to ensure that the water delivered by domestic water systems shall at all times be pure, wholesome, and potable.

It is the intent of the California State Legislature to improve laws governing drinking water quality, to improve upon the minimum requirements of the Federal Safe Drinking Water Act Amendments of 1966, to establish primary drinking water standards that are at least as stringent as those established under the Federal Safe Drinking Water Act, and to establish a program that is more protective of public health than the minimum Federal requirements. (California Health and Safety Code Section 116270(f), as may be amended from time to time).

Therefore, the purposes of this Chapter are to: (1) regulate construction, installation, maintenance and operation of domestic water systems which have at least two (2), but not more than fourteen (14) service connections; (2) supplement minimum State laws and standards for construction, installation, maintenance, and operation of state small water systems; and (3) regulate the quality and quantity of water supplied to and by such water systems, thereby promoting the public health, safety, and welfare.

SECTION 5. Section 15.04.020 of the Monterey County Code is amended to read as follows:

Words used in the present tense include the future as well as the present. Words used in the masculine gender include the feminine and neuter. The singular includes the plural and the plural the singular.

As used in this Chapter, unless otherwise apparent from the context:

a. "Accessory dwelling unit" has the same meaning as "dwelling unit, accessory" set forth in Monterey County Code Section 21.06.372, as may be amended from time to time.

b. "Centralized treatment" means a single treatment plant or device that treats all of the water supplied by a water system for human consumption.

c. "Contaminant" means any physical, chemical, biological, or radiological substance or matter in water.

d. "Consumer" means a customer or person served by the water system.

e. "Department" means the Monterey County Health Department.

f. "Director" means the Director or authorized representative of the Monterey County Health Department, designated to carry out the drinking water program.

g. "Domestic water system" means any water system including a local small water system or a state small water system.

h. "Human consumption" means the use of water for drinking, bathing or showering, hand washing, food preparation, cooking, or oral hygiene.

i. "Impacted water system" means a domestic water system that does not meet primary water quality standards per Chapter 15 of Title 22 of the California Code of Regulations, as may be amended from time to time, as such standards are incorporated into Chapter 15.04.110 of the Monterey County Code.

j. "Local small water system" means a system for the provision of piped water for human consumption that serves at least two, but not more than four, service connections. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system. "Local small water system" does not include two or more service connections on a single lot of record where none of the dwellings are leased, rented, or offered for renumeration.

k. "Maximum contaminant level" or "MCL" means the maximum permissible level of a contaminant in water.

l. "Person" includes an individual, firm, association, partnership, corporation, and public entity.

m. "Point-of-use" or "POU" means a treatment device applied to a single tap for the purpose of reducing contaminants in drinking water at that tap.

n. "Point-of-entry" or "POE" means a treatment device applied to the drinking water entering a house or building for the purpose of reducing contaminants in the drinking water distributed throughout the house or building. Notwithstanding the foregoing, where all the water supplied by a water system for human consumption is treated by the water system via a single device or facility, regardless of location of the device or facility, the water system shall be considered to have centralized treatment.

o. "Service connection," consistent with Section 21.06.1010 of the Monterey County Code, means a connection to any habitable structure, except a guesthouse, or parcel which uses potable water from a water system for domestic and not agricultural purposes.

p. "State small water system" means a system for the provision of piped water to the public for human consumption that serves at least five, but not more than fourteen (14), service connections and does not regularly serve drinking water to more than an average of twenty-five (25) individuals daily for more than sixty (60) days out of the year. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system.

q. "Source" means a well, spring, lake, stream, or hookup with an approved public water supply. It excludes water from a water storage tank or facility.

r. "User" means any person using water for human consumption or domestic purposes.

s. "User connection" means the point of connection between the user's or consumer's piping or ditch, and the water system's meter, service pipe, or ditch.

SECTION 6. Subsection (c)(4) of Section 15.04.040 of the Monterey County Code is amended to read as follows:

4. If a mutual water company, evidence satisfactory to the Director that the legal ownership of a state small water system will be an incorporated entity as follows: (1) as a condition of approval, following incorporation, the Articles of Incorporation and Bylaws, for the state small shall be submitted to the Director; and (2) as a condition of approval, a copy of the separate document which is submitted to the California Department of Real Estate, pursuant to Corporations Code Section 14312(a), as may be amended from time to time, shall be submitted to the Director.

SECTION 7. Subsection (a) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

a. Director's Investigation. Upon receipt of an application and all supporting documents filed pursuant to this Chapter, the Director shall make a thorough investigation of the proposed or existing system and all other circumstances and conditions which he or she deems material.

1. Following completion of the investigation and satisfaction of the requirements of this Chapter, the Department shall issue or deny the permit. The Department may impose permit conditions, requirements for system improvements, and time schedules as it deems necessary to assure a continuous, reliable and adequate source of water that is pure, wholesome, potable, and does not endanger the health of consumers at all times, and to assure that the system will be lawfully operated on a continuing basis by a responsible person.

2. Any local small or state small water system that was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that the water supplier has adequate capability to assure the delivery of pure, wholesome, and potable water for human consumption.

3. Any local small or State water system which was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that sufficient water is available from the system's sources and distribution storage facilities to provide continuous and adequate supply of drinking water for each service connection served by the system.

4. No domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the appeal process below at Section 15.04.180.

5. Local small or state small water system shall comply with the standards and requirements as set forth in Section 15.04.130 and in the most recent edition of Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein by this reference, regarding design and construction of water systems.

SECTION 8. Subsection (b)(2) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

2. Pursuant to Subsection (a)(5) above, no domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a

reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the Appeal process below at Section 15.04.180.

SECTION 9. Section 15.04.070 of the Monterey County Code is amended to read as follows:

a. No person operating a domestic water system shall add or modify the system's source of supply, add or change the method of treatment of the water supply, or change the system's distribution unless an amended permit has been issued by the Director.

b. Application for an amended permit shall be made in accordance with the provisions of Section 15.04.040, and shall be investigated, considered, determined and issued or denied upon the same terms and conditions as provided in Section 15.04.050 of this Chapter.

c. An amendment to the local small or state small water system operating permit is required to allow a POU or POE treatment program that conforms to the requirements of Chapter 15.06 of the Monterey County Code. The amendment must be renewed annually by the water system. If opportunities for grant funding resources to support long-term water treatment solutions become available, the water system shall demonstrate that it is pursuing such funding in order to be eligible for renewal.

SECTION 10. Section 15.04.130 of the Monterey County Code is amended to read as follows:

This Section incorporates Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, to establish standards and requirements for the design and construction of domestic water systems.

a. Construction of a new domestic water system shall comply with the provisions of Chapter 16 of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein, including, but not limited to, standards and requirements for basic design, water quantity, source and storage capacities, water pressure, main selection and installation, pipeline design and standards, valve selection, location and installation, disinfection of source, storage and distribution system, and other appurtenant components of the water system.

b. New water systems shall be designed and constructed such that the system provides capability to allow for future consolidation with another system, service area, or adjacent development and to facilitate future interconnection with another water system, looping systems when preferable according to engineering practices, unless special circumstances exist, as determined by the Director pursuant to Section 15.04.170.

c. Any new proposed water system and any expansion, modification, or changes to the water system shall be designed by a professional civil engineer registered in the State of California with experience in water system engineering or other qualified individual with a

minimum of three years experience in water system design and construction to be approved by the Department.

d. All operating water system facilities shall be protected against unauthorized entry and vandalism.

e. Each new water supply well for the water system shall be constructed in accordance with the Monterey County Code Chapter 15.08 and the California Department of Water Resources Bulletins 74-81 and 74-90. Proposed well sites shall be investigated to determine the distance from all contamination sources including, but not limited to, sewage collection and disposal facilities, and any hazards therefrom shall be eliminated prior to well construction.

f. Use of water main size smaller than four inches inside diameter shall be approved by the Department prior to construction, but in no case be less than two inches inside diameter, and shall meet the following requirements:

1. The installation is designed by a professional civil engineer registered in the State of California with experience in water system engineering; and

2. The engineer submits findings to demonstrate the ability of proposed main size to meet specific water quantity demands and minimum pressures.

g. 7057. System Pressure.

1. Normal operating pressure at the service connection shall not be less than twenty-five (25) pounds per square inch gauge (p.s.i.g.) nor more than one hundred twenty-five (125) p.s.i.g., except that during periods of hourly maximum demand at the time of peak seasonal loads the pressure may be not less than twenty (20) p.s.i.g. and that during periods of hourly minimum demand the pressure may be not more than one hundred fifty (150) p.s.i.g. Variations in pressures under normal operation shall not exceed fifty (50) percent of the average operating pressure. The average operating pressure shall be determined by computing the arithmetical average of at least twenty-four (24) consecutive hourly pressure readings.

2. In a water system supplying customers at widely varying elevations, the water system utility may furnish a service which does not comply with the foregoing pressure specification, if the customer is fully advised of the conditions under which average service may be expected, and the customer's agreement is secured in writing.

3. New water systems, or new pressure zones in existing water systems supplying customers at substantially constant elevation shall be designed to maintain an operating pressure at the service connection of not less than thirty-five (35) p.s.i.g. nor greater than one hundred (100) p.s.i.g.

SECTION 11. Subsection (c) of Section 15.04.146 of the Monterey County Code is amended to read as follows:

c. Point-of-Use or Point-of-Entry Treatment. In lieu of a centralized treatment facility, a local small or state small water system may choose to install a POU or POE treatment device at each connection in conformance with the regulations specified in Chapter 15.06 of the Monterey County Code, as may be amended from time to time, subject to approval by the Director.

SECTION 12. Subsection (a) of Section 15.04.147 of the Monterey County Code is amended to read as follows:

a. No state small water system shall add additional service connections to the system such that the total number of service connections served by the system exceeds fourteen (14) before the water system has applied and received from the State Water Board a permit to operate as a public water system as defined by the California Safe Drinking Water Act (Health and Safety Code Section 116270, *et seq*., as may be amended).

SECTION 13. Section 15.04.195 of the Monterey County Code is amended to read as follows:

a. The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.

b. It shall be unlawful for any person to violate any provision, or to fail to comply with any of the requirements, of this Chapter. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter shall be guilty of a misdemeanor. No proof of knowledge, intent, or other mental state is required to establish a violation.

c. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter shall be deemed a public nuisance and shall, at the discretion of County, create a cause of action for penalty pursuant to Chapters 1.20 and 1.22 of the Monterey County Code, and any other action authorized by law.

d. Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Monterey County Code or otherwise authorized by law. Additionally, as a public nuisance, any violation of this Chapter shall be subject to injunctive relief, disgorgement of any payment to the County of any and all monies unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, attorney fees, restitution, and any other relief or remedy available at law or in equity. The County, including the Office of the District Attorney and the Office of the County Counsel, may also pursue any and all remedies and actions available and applicable under state and local laws for any violations.

e. For purposes of administration and enforcement of this Chapter generally, the Director may from time to time promulgate such administrative rules and procedures consistent with the

purpose and intent of this Chapter as he or she deems necessary to implement or clarify such provisions or aid in enforcement.

SECTION 14. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 15. EFFECTIVE DATE. This ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED on this ___ day of _____, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Christpher M. Lopez, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Kelly L. Donlon
Chief Assistant County Counsel

Introduced: 8/18/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of $2,365,565 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,602,121.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of $2,365,565 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,602,121.

SUMMARY/DISCUSSION

Crestwood Behavioral Health, Inc. has provided mental health services for approximately 18 years and for 30 years prior under the previous corporate umbrella of Crestwood Hospitals. Crestwood has eighteen (18) facilities ranging in size from twelve (12) to nearly 200 beds, three (3) of which are covered under the terms of this agreement. Crestwood's programs provide recovery oriented psychiatric services to adults, older adults, and transition-aged youth with severe and persistent mental health illness, and their treatment services are individualized to meet the specific needs of each client to assist clients to live independently and develop new skills.

The County has contracted with Crestwood Behavioral Health, Inc. for mental health services to Monterey County adult residents with severe psychiatric disabilities in these varying facilities for the

periods of Fiscal Years (FY) 2012-2025. This Agreement with Crestwood Behavioral Health, Inc. is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16993 ending in June 30, 2025. This agreement renews the same contract provisions but with an increase in the number of beds contracted for, from twenty (20) to twenty-seven (27) based on historical usage.

Due to late and ongoing contract negotiations, with the direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement will provide the necessary resources and bed placements available for clients to live in the least restrictive community setting as possible. The Agreement also complies with the requirements of the Welfare and Institutions Code Section 5600 (Bronzan-McCorquodale Act).This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 8/18/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of $2,365,565 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,602,121.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of $2,365,565 for the term of July 1, 2025 through June 30, 2026; and
b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $2,602,121.

SUMMARY/DISCUSSION

Crestwood Behavioral Health, Inc. has provided mental health services for approximately 18 years and for 30 years prior under the previous corporate umbrella of Crestwood Hospitals. Crestwood has eighteen (18) facilities ranging in size from twelve (12) to nearly 200 beds, three (3) of which are covered under the terms of this agreement. Crestwood's programs provide recovery oriented psychiatric services to adults, older adults, and transition-aged youth with severe and persistent mental health illness, and their treatment services are individualized to meet the specific needs of each client to assist clients to live independently and develop new skills.

The County has contracted with Crestwood Behavioral Health, Inc. for mental health services to Monterey County adult residents with severe psychiatric disabilities in these varying facilities for the

periods of Fiscal Years (FY) 2012-2025. This Agreement with Crestwood Behavioral Health, Inc. is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16993 ending in June 30, 2025. This agreement renews the same contract provisions but with an increase in the number of beds contracted for, from twenty (20) to twenty-seven (27) based on historical usage.

Due to late and ongoing contract negotiations, with the direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement will provide the necessary resources and bed placements available for clients to live in the least restrictive community setting as possible. The Agreement also complies with the requirements of the Welfare and Institutions Code Section 5600 (Bronzan-McCorquodale Act).This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Docusign Envelope ID: 9E5C363E-9292-41FC-B008-E0210B930254

COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **CRESTWOOD BEHAVIORAL HEALTH, INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short–Doyle Skilled Nursing Facility for psychiatric care of adults as a Mental Health Rehabilitation Center (MHRC), Skilled Nursing Facility (SNF), and Skilled Nursing Facility with Special Treatment Program (SNF-STP).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

i. Complete written description of event including outcome;

ii. Written report of CONTRACTOR's investigation and conclusions;

iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the ~~sole~~ negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, ~~Independent Contractors~~, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss as additional insured covered by the CONTRACTOR'S insurance.

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The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new

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or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Elena Mashkevich
Executive Director of Contracts
Crestwood Behavioral Health, Inc.
520 Capital Mall, Suite 800
Sacramento, CA 95814
(916) 417-2244
(916) 471-2212 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/14/2025 | 1:55 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/14/2025 | 3:09 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

CRESTWOOD BEHAVIORAL HEALTH, INC.
CONTRACTOR NAME
Contractor's Business Name *

By: Signed by: Elena Mashkevich C2FCF433A5064D2...
(Signature of Chair, President, or Vice-President) *
Elena Mashkevich,
Executive Director of Contracts
Name and Title

Date: 8/13/2025 | 11:19 AM PDT

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Derek Dobbins, President
Name and Title

Date: 8/14/2025

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1] Approval by the Office of the County Counsel is required.

[2] Approval by Auditor-Controller is required.

[3] Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM 1 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814			
Facility Name	**Address**	**Telephone #**	**License**
Crestwood Center at Napa Valley	295 Pine Breeze Dr., Angwin, CA 94508	(707) 965-2461	MHRC

Incorporation Status: Private, for profit, Corporation

Type of Facility: Mental Health Rehabilitation Center (MHRC)

Type of License: MHRC

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a Mental Health Rehabilitation Center level of care.

III. PROGRAM DESCRIPTION

Treatment services include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through patient assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:
   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:
   a) Behavior modification modalities;
   b) Re-motivation therapy;
   c) Patient government activities;

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d) Recovery Focused Groups;
e) Individual Recovery Service Plans.

3. Interpersonal Relationships Guidance. This shall include but not be limited to:
   a) Social Support Services;
   b) Educational and recreational training;
   c) Social activities such as outings, dances, etc.;

4. Pre-vocational Preparation Services. This shall include but not be limited to:
   a) Homemaking;
   b) Vocational Services;
   c) Work activity;
   d) Work habits;
   e) Pre-release planning;
   f) Out-of-home planning.

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and program service.

C. To restore the client's level of functioning in the community to a lower level of care.

D. To increase the client's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of de-compensation, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Mental Health Rehabilitation Program (MHRC) plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. Individuals in need of 24-

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hour Mental Health Rehabilitation Center services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower-level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation or physical illnesses (without psychiatric component) shall not be considered for admission. All admissions are subject to the prior authorization from COUNTY and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to MHRC residents) shall comply with Title 9 of the California Code of Regulations, Section 782.10 – 787.14, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour Mental Health Rehabilitation Center services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental illness, clients are unable to provide for their basic needs.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a Mental Health Rehabilitation Center facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with

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the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. TYPES OF SERVICE

CONTRACTOR and COUNTY shall make an initial, individual assessment of each client to determine the initial level of placement. CONTRACTOR in conjunction with COUNTY shall determine placement changes as needed.

Napa Valley – Angwin (MHRC)	
Service Type	**Rate per day/client FY 2025-26**
Level 1	$427
Level 2	$341
Level 3	$288

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Liaison.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3.5 of Division 1 of Title 9 of the California Code of Regulations pertaining to Mental Health Rehabilitation Centers.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

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Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT A: PROGRAM 2 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814				
Facility Name	**Address**	**Telephone #**	**Type of Facility**	**License**
Crestwood Treatment Center	2171 Mowry Avenue, Fremont, CA 94538	(510) 793-8383	Skilled Nursing Facility (SNF) / Neurobehavioral Center	SNF

Incorporation Status: Private, for profit, Corporation

II. TARGET POPULATION/FACILITY SPECIALIZATION

Specialized long-term care program for adults with impairments such as organic brain syndrome (OBS), traumatic brain injury, dementia, developmental disability, and other neurological conditions, who are from 18 years of age or older.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A highly structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.

B. A structured behavioral management approach that stresses environmental safety and individual management.

C. A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

1. Behavior modification
2. Community skills development
3. Psychological and psychiatric adjustment
4. Self-care development
5. Group interaction
6. Individual social support
7. Individual counseling
8. Interpersonal and social skills development
9. Educational and recreational training
10. Art and Music Therapy

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IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches.

C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning.

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time.

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community.

F. To provide the intensive staff required to supervise and treat OBS, Traumatic Brain Injured, Dementia, and Medically Debilitated Diagnosis Adults.

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Neurobehavioral Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis and the presence of a neurological condition, such as brain injury or dementia, and conserved and found to be gravely disabled, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1. Dementia or OBS.

2. Severe cognitive impairment secondary to brain injury or neurological condition with behaviors preventing community placement.

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3. Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management.

4. Neurodegenerative disease accompanied or exacerbated by mental illness that prevents Skilled Nursing Facility placement.

   Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

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IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. TYPES OF SERVICE

CONTRACTOR and COUNTY shall make an initial, individual assessment of each client to determine the initial level of placement. CONTRACTOR in conjunction with COUNTY shall determine placement changes as needed.

Crestwood Treatment Center – Fremont (SNF)	
Service Type	**Rate per day/client FY 2025-26**
County Supplemental Rate	$173

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Liaison.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

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XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

B. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT A: PROGRAM 3 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814				
Facility Name	**Address**	**Telephone #**	**Type of Facility**	**License**
Crestwood Manor - Modesto	1400 Celeste Drive, Modesto, CA 95355	(209) 526-8050	Skilled Nursing Facility (SNF) – Geropsych 65+ / Special Treatment Program (STP)	SNF

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814				
Facility Name	**Address**	**Telephone #**	**Type of Facility**	**License**
Crestwood Manor - Stockton	1130 Monaco Court, Stockton, CA 95207	(209) 478-2060	Skilled Nursing Facility (SNF) – Geropsych 65+ / Special Treatment Program (STP)	SNF

Incorporation Status: Private, for profit, Corporation

II. TARGET POPULATION/FACILITY SPECIALIZATION

Specialized long-term care program for adults 18 years of age or older with a primary Axis 1 diagnosis of Schizophrenia, Schizoaffective, or bipolar disorder, along with a medical diagnosis (STP Unit); or a medical diagnosis along with an Axis 1 diagnosis or Dementia along with a mental health diagnosis, typically 65 years of age or older (SNF Unit). Both STP and SNF are secured, locked units.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A highly structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.

B. A structured behavioral management approach that stresses environmental safety and individual management.

C. A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

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1. Behavior modification
2. Community skills development
3. Psychological and psychiatric adjustment
4. Self-care development
5. Group interaction
6. Individual social support
7. Individual Recovery Service Plans
8. Interpersonal and social skills development
9. Educational and recreational training
10. WRAP (Wellness Recovery Action Plan)
11. DBT (Dialectical Behavior Therapy

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches.

C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning.

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time.

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community.

F. To provide the intensive staff required to supervise and treat Schizophrenia, Schizoaffective, Bipolar and other Axis 1 mental health disorders.

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

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A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis or a medical diagnosis requiring SNF care, and LPS or Murphy conserved and found to be gravely disabled, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1. Dementia along with a psychiatric diagnosis and a medical diagnosis.

2. Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

3. Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less

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restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. TYPES OF SERVICE

Acuity Level for SNF Rate Determinations:

1. **Level 1 Mixed-Mid Level of Complexity:** Clients with the greatest psychiatric stabilization, requiring minimal behavioral intervention and benefitting from structured psychoeducation, community living skills, and medication management to support independence.
    a. Receives 24-hour skilled nursing care with RN oversight\ Maintains individualized plan of care with regular psychiatric visits
    b. Participates in substance use treatment, 1:1 counseling, and psychoeducation
    c. Demonstrates engagement in recovery-focused programming
    d. Utilize cognitive and milieu therapies to improve insight, functioning, and social skills.
    e. Builds independence through ADL support and community living skills
    f. Stabilized on psychotropic medications with monitoring and management

2. **Level 2 Moderate Level of Complexity:** Clients with significant psychiatric and behavioral challenges requiring frequent interventions, enhanced supervision, and intensive behavioral support to promote stabilization.
    a. Moderate to high supervision needed, including 30-min to 1:1 safety checks
    b. Frequent behavioral redirection and use of individualized behavior plans
    c. Direct assistance with ADLs and supervised dining due to behavioral barriers
    d. Engaged in 27–61 hours/week of structured programming with increased staff support
    e. High risk for AWOL, assaultive behavior, or socially inappropriate conduct
    f. Requires behavioral contracts, enhanced medication compliance support, and psychiatric oversight
    g. Require specialized supports (e.g., Clozaril monitoring, catheter care, Orchid Dining Program)

3. **Level 3 High Complexity:** Clients with a high level of acuity requiring intensive supervision, frequent interventions, and enhanced medical and behavioral support for stabilization
    a. Frequent 1:1 supervision for high-risk behaviors such as polydipsia, PICA,

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choking, fall risk, or aggression.

b. 15-minute safety checks and daily room searches implemented to ensure client and community safety.

c. Enhanced physician and behavioral health support provided, including individual counseling.

d. Clients often need individualized programming and 1:1 support due to isolative behavior, poor group attendance, or complex psychiatric symptoms.

e. High supervision and behavioral interventions are required for clients with dual diagnoses, substance use history, property destruction, or assaultive behavior.

f. Clients may require additional services such as sensory room visits, behavior contracts, and consultation with outside specialists or coordination for physical therapy.

CONTRACTOR and COUNTY shall make an initial, individual assessment of each client to determine the initial level of placement. CONTRACTOR in conjunction with COUNTY shall determine placement changes as needed.

Crestwood Manor – Modesto (SNF/STP)	
Service Type	**Rate per day/client FY 2025-26**
Mixed/Mid-Level Complexity	$74
Moderate Complexity	$108
High Complexity	$145

Crestwood Manor – Stockton (SNF/STP)	
Service Type	**Rate per day/client FY 2025-26**
Mixed/Mid-Level Complexity	$74
Moderate Complexity	$108
High Complexity	$145

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Liaison.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

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B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

C. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

XV. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

1. The payment rates are established by the CONTRACTOR. Rates are subject to re-negotiation with a ninety (90) day advance notice from CONTRACTOR.

2. The rate for Leave of Absence and Bed Hold for acute hospitalization shall remain at the per diem rate based on the placement rate of client at the time of leave.

3. The following program services will be paid in arrears at the maximum listed rate per unit for **FY 2025-26.**

A. MENTAL HEALTH REHABILITATION CENTER SERVICES

Crestwood Center at Napa Valley - Angwin					
MHRC Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Level 1	05	90	3285	$427	$1,402,695
Level 2	05	90	0	$341	$0
Level 3	05	90	0	$288	$0
Grand Total Crestwood Center Angwin FY 2025-26:					**$1,402,695**

Additional Rates/Services for MHRC:

- The Private Room rate is billable at the facility's lowest Level Rate in addition to the current level of stay rate
- 1:1 supervision (per hour) is billable at $32.00
- Bedhold Rate is billable at client's Level Rate at the time of a bedhold

MHRC Care Levels rate include room and board, nursing care, program services, activity programs, OTC medications, dietary, etc.

Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable.

B. SKILLED NURSING FACILITY SERVICES

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Crestwood Treatment Center – Fremont (SNF – Non IMD)					
SNF Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Neurobehavioral Patch	05	30 - 34	365	$173	$63,145
Grand Total Crestwood Fremont FY 2025-26:					**$63,145**

C. SKILLED NURSING FACILITY / SPECIAL TREATMENT PROGRAM

Crestwood Manor – Modesto (SNF/STP – Non IMD)					
SNF/STP Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Mixed/Mid-Level Complexity	05	30 - 34	0	$74	$0
Moderate Complexity	05	30 - 34	0	$108	$0
High Complexity	05	30 - 34	4380	$145	$635,100
Grand Total Crestwood Modesto FY 2025-26:					**$635,100**

Crestwood Manor – Stockton (SNF/STP – Non IMD)					
SNF/STP Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Mixed/Mid-Level Complexity	05	30 - 34	0	$74	$0
Moderate Complexity	05	30 - 34	0	$108	$0
High Complexity	05	30 - 34	1825	$145	$264,625
Grand Total Crestwood Stockton FY 2025-26:					**$264,625**

Additional rates/services for SNF,SNF/STP:

- Private room is billed at the Medi-Cal published rate
- 1:1 Supervision (per hour) is billable at $32.00

SNF/STP – Medi-Cal published rate include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with title 22, CCR, section 51511C.

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting

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documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

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V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$2,365,565** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
FY 2025-26	$2,365,565
TOTAL MAXIMUM LIABILITY	**$2,365,565**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the

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CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	Crestwood Behavioral Health, Inc.
	Business Name of Contractor
Signed by: Elena Mashkevich C2FCF433A5064D2...	Elena Mashkevich
Signature of Authorized Representative	Name of Authorized Representative (printed)
8/13/2025 | 11:19 AM PDT	Executive Director of Contracts
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	Crestwood Behavioral Health, Inc.	
Name of Contractor's Designee	Elena Mashkevich	
Title of Designee	Executive Director of Contracts	
Street 520 Capitol Mall, Suite 800		
City Sacramento	State CA	Zip 95814
IRS Employer Identification Number	68-0399495	

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by: Elena Mashkevich C2FCF430A5064B2...

Signature of Contractor

Date 8/13/2025 | 11:19 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.

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- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3-year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Signed by:
Elena Mashkevich
C2FCF433A5064D2...
Signature of Authorized Representative

8/13/2025 | 11:19 AM PDT
Date

Crestwood Behavioral Health, Inc.
Contractor (Organization Name)

Elena Mashkevich
Name of Authorized Representative (printed)

Executive Director of Contracts
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and CRESTWOOD BEHAVIORAL HEALTH, INC. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

CRESTWOOD BEHAVIORAL HEALTH, INC.
Attn: Elena Mashkevich
Executive Director of Contracts
520 Capital Mall, Suite 800, Sacramento, CA 95814
Phone: (916) 471-2244
Fax: (916) 471-2212
Email: elena.mashkevich@cbhi.net

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, Cyber liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, and agents under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Elena Mashkevich C2ECE433A5064D2	By:
Print Name Elena Mashkevich	Print Name: Elsa M. Jimenez
Print Title Executive Director of Contracts	Print Title: Director of Health Services
Date: 8/13/2025 | 11:19 AM PDT	Date:

Docusign Envelope ID: 9E5C363E-9292-41FC-B008-E0210B930254

Cost Reimbursement Invoice Form

COUNTY OF MONTEREY, Behavioral Health Bureau

Invoice Number:

Contractor:	Crestwood Behavioral Health, Inc.
Address Line 1	Remit: P.O. Box 7095, Stockton, CA 95267-0095
Address Line 2	Crestwood Center Napa Valley, 295 Pine Breeze Dr., Angwin, CA 94508
Address Line 3	Crestwood Treatment Center, 2171 Mowry Ave, Fremont, CA 94538
Address Line 4	Crestwood Manor Modesto, 1400 Celeste Drive, Modesto, CA 95355
Address Line 5	Crestwood Manor Stockton, 1130 Monaco Court, Stockton, CA 95207
Tel. No.:	**916-471-2242**
Fax No.:	**916-471-2212**
Contract Term:	FY 2025-2026

County PO No.:

(Check if Yes) **Final Invoice :**

FUNDED PROGRAM:

AVATAR Program,Mode and Service Function Code

Financial Eligibility (Admision Criteria)

Unduplicated Number of Clients Served:

Identify Program

Service Description	Mode of Service	SFC	Units of Service (UOS) Delivered Thru Last Period	Units of Service (UOS) Delivered to Date	Total Contract Amount	UOS Delivered this Period	Negotiated Rate per Unit	Dollar Amount Requested this Period	Total Dollar Amount Requested last Period	Dollar Amount Requested Year-to-Date	Dollar Amount Remaining
MHRC - Angwin	5	90			**$ 1,402,695**		$ 427.00	$ -		$ -	$ 1,402,695
SNF - NueroBehavorial Center - Fremont	5	30-34			**$ 63,145**		$ 173.00	$ -		$ -	$ 63,145
SNF/STP - Crestwood Manor - Modesto	5	30-34			**$ 635,100**						
Mixed/Mid-Level Complexity							$ 74.00	$ -		$ -	
Moderate Complexity							$ 108.00	$ -		$ -	
High Complexity							$ 145.00	$ -		$ -	
							Modesto Sub-Total:	**$ -**	**$ -**	**$ -**	$ 635,100
SNF/STP - Crestwood Manor - Stockton	5	30-34			**$ 264,625**						
Mixed/Mid-Level Complexity							$ 74.00	$ -		$ -	
Moderate Complexity							$ 108.00	$ -		$ -	
High Complexity							$ 145.00	$ -		$ -	
							Stockton Sub-Total:	**$ -**	**$ -**	**$ -**	$ 264,625
		TOTALS:			**$ 2,365,565**			**$ -**	**$ -**	**$ -**	**$ 2,365,565**

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: Date:

Title: Telephone:

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Date

Introduced: 8/18/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to Agreement No. A-17223 with Society for the Prevention of Cruelty to Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter clinics for domestic and feral cats of residents within Monterey County communities, and providing requested veterinary services to shelter animals, adding $200,000 for a new total Agreement amount of $242,000 and for the term of February 20, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments to this Agreement where the amendments do not exceed 10% ($4,200) of the original Agreement amount, do not significantly change the scope of work, and the total Agreement amount does not exceed $246,200.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to Agreement No. A-17223 with Society for the Prevention of Cruelty to Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter clinics for domestic and feral cats of residents within Monterey County communities, and providing requested veterinary services to shelter animals, adding $200,000 for a new total Agreement amount of $242,000 and for the term of February 20, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments to this Agreement where the amendments do not exceed 10% ($4,200) of the original Agreement amount, do not significantly change the scope of work, and the total Agreement amount does not exceed $246,200.

SUMMARY/DISCUSSION:

The County of Monterey Health Department's Animal Services Program (County) is responsible for providing animal control services in the unincorporated areas of Monterey County and City of Salinas (City) via the newly created Joint Powers Agreement (JPA). The County, through the JPA, also operates an Animal Services Center located at 160 Hitchcock Road, Salinas, California that offers an array of services, including but not limited to animal sheltering, field services, volunteers and outreach, and licensing services.

The County, City, and JPA continue to support the community by offering for low cost spay/neuter opportunities for both feral cats and owned dogs and cats. Due to the high demand for these services, local veterinary clinics are currently unable to offer them. This is also magnified by a shortage in

veterinary staff both in the county and statewide. Due to this continuous need, Animal Services is looking to further increase opportunities for affordable spay/neuter for pet owners. Animal Services has collaborated with the SPCA, a local organization that has the ability to provide mobile spay/neuter services within our communities, through a contractual partnership.

Through this Renewal and Amendment No. 1, the SPCA will provide spay/neuter services and additional veterinary services for shelter animals as requested and approved by Animal Services for the duration of the Agreement.
This Renewal and Amendment No. 1 is being presented to the Board later than anticipated due to extended discussions regarding the potential need for a Request For Proposal (RFP) process. Although an RFP was initiated, Contracts and Purchasing later determined it was unnecessary. The time spent on these considerations brought past the Agreement's expiration date, resulting in the need for this Renewal and Amendment No. 1.

This work supports the County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 1. Build Community Power and Partners' Capacity to Increase Equity and Improve Health. It also supports the following of the ten essential public health services, specifically: 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
The Office of County Counsel and the Auditor-Controller have reviewed and approved this Agreement as to legal form, and fiscal provisions, respectively. Risk Management has not approved the non-standard indemnity provisions.

FINANCING:
There will be no fiscal impact resulting from the approval of this action. Appropriations for this Agreement are included in the Health Department's (4000-HEA018-8601) FY 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for

County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Juanita Sanders, Management Analyst II, 755-5494
Reviewed by: Cindy Burnham, Animal Services Administrator, 769-8796
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Amendment No. 1
Board Order
Agreement

Introduced: 8/18/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to Agreement No. A-17223 with Society for the Prevention of Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter clinics for domestic and feral cats of residents within Monterey County communities, and providing requested veterinary services to shelter animals, adding $200,000 for a new total Agreement amount of $242,000 and for the term of February 20, 2025 through June 30, 2026; and
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RECOMMENDATION:

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a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to Agreement No. A-17223 with Society for the Prevention of Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter clinics for domestic and feral cats of residents within Monterey County communities, and providing requested veterinary services to shelter animals, adding $200,000 for a new total Agreement amount of $242,000 and for the term of February 20, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments to this Agreement where the amendments do not exceed 10% ($4,200) of the original Agreement amount, do not significantly change the scope of work, and the total Agreement amount does not exceed $246,200.

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The County, City, and JPA continue to support the community by offering for low cost spay/neuter opportunities for both feral cats and owned dogs and cats. Due to the high demand for these services, local veterinary clinics are currently unable to offer them. This is also magnified by a shortage in

veterinary staff both in the county and statewide. Due to this continuous need, Animal Services is looking to further increase opportunities for affordable spay/neuter for pet owners. Animal Services has collaborated with the SPCA, a local organization that has the ability to provide mobile spay/neuter services within our communities, through a contractual partnership.

Through this Renewal and Amendment No. 1, the SPCA will provide spay/neuter services and additional veterinary services for shelter animals as requested and approved by Animal Services for the duration of the Agreement.
This Renewal and Amendment No. 1 is being presented to the Board later than anticipated due to extended discussions regarding the potential need for a Request For Proposal (RFP) process. Although an RFP was initiated, Contracts and Purchasing later determined it was unnecessary. The time spent on these considerations brought past the Agreement's expiration date, resulting in the need for this Renewal and Amendment No. 1.

This work supports the County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 1. Build Community Power and Partners' Capacity to Increase Equity and Improve Health. It also supports the following of the ten essential public health services, specifically: 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
The Office of County Counsel and the Auditor-Controller have reviewed and approved this Agreement as to legal form, and fiscal provisions, respectively. Risk Management has not approved the non-standard indemnity provisions.

FINANCING:
There will be no fiscal impact resulting from the approval of this action. Appropriations for this Agreement are included in the Health Department's (4000-HEA018-8601) FY 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for

County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Juanita Sanders, Management Analyst II, 755-5494
Reviewed by: Cindy Burnham, Animal Services Administrator, 769-8796
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Amendment No. 1
Board Order
Agreement

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RENEWAL AND AMENDMENT NO. 1
TO THE AGREEMENT BETWEEN THE
COUNTY OF MONTEREY
AND
SOCIETY FOR THE PREVENTION OF ANIMALS FOR MONTEREY COUNTY
(SPCA)

This Renewal and Amendment No. 1 to Agreement, No. A-17223, is made and entered into by and between the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Society for the Prevention of Animals for Monterey County (SPCA), hereinafter referred to as "CONTRACTOR."

WHEREAS, the COUNTY and CONTRACTOR entered into Agreement A-17223 with a start date of February 20, 2025 in an amount not to exceed $42,000 for the provision of all-inclusive spay/neuter mobile clinics for both owned domestic dogs and cats as well as feral cats of residents in South Monterey County; and

WHEREAS, the AGREEMENT expired by its terms on June 30, 2025; and

WHEREAS, the COUNTY and CONTRACTOR mutually desire to reinstate the AGREEMENT with effect retroactive to July 1, 2025, and to amend the AGREEMENT as provided below; and

WHEREAS, the COUNTY and CONTRACTOR wish to amend AGREEMENT to extend the term for an additional year for a new term of February 20, 2025 through June 30, 2026, increase the total AGREEMENT amount by $200,000 to allow for spay/neuter clinics in the community as approved and veterinary services for shelter animals as approved, for a new total Agreement amount of $242,000, and replace Exhibit A.

NOW THEREFORE, both parties hereby agree to renew and amend the Agreement as follows:

1. **Section 2.0, "PAYMENT PROVISIONS",** shall be amended by removing, "The total amount payable by County to CONTRACTOR under this Agreement is not to exceed the sum of $42,000" **and replacing it with** "The total amount payable by County to CONTRACTOR under this Agreement is not to exceed the sum of $242,000".

2. **Section 3.0, "TERM OF AGREEMENT", Section 3.01, shall be amended by removing** "The term of this AGREEMENT is from February 20, 2025 to June 30, 2025, unless sooner terminated pursuant to the terms of this AGREEMENT.", **and replacing it with** "The term of this AGREEMENT is from February 20, 2025 to June 30, 2026, unless sooner terminated pursuant to the terms of this AGREEMENT."

3. **Exhibit A is replaced** with Exhibit A-1. All references in the Agreement to Exhibit A shall be construed to refer to Exhibit A-1.

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4. All other terms and conditions of the Agreement remain unchanged and in full force. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

5. A copy of this Renewal & Amendment No. 1 shall be attached to the original Agreement executed by the County on February 20, 2025.

6. This Renewal & Amendment No. 1 is effective upon execution.

********** **SIGNATURE PAGE TO FOLLOW** **********

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Renewal & Amendment No. 1 as of the day and year written below.

COUNTY OF MONTEREY	**CONTRACTOR**
By: _____	Society for the Prevention of Animals For Monterey County (SPCA)
Contracts/Purchasing Officer	Contractor's Business Name*
Date: _____	
By: _____	By: DocuSigned by: _____
Department Head (if applicable)	(Signature of Chair, President, or Vice President)*
Date: _____	
By: _____	Scott Delucchi President & CEO
Board of Supervisors (if applicable)	Name and Title
Date: _____	Date: 8/8/2025 | 12:31 PM PDT
Approved as to Form[1] DocuSigned by:	
By: Robert I. Brayer Robert I. Brayer 6D0AC6C2AA4A4A8...	By: DocuSigned by: Susan Imwalle A95E75EA3A1047C...
County Counsel	(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasure)*
County of Monterey	Susan Imwalle Vice President and CFO
Date: 8/13/2025 | 11:01 AM PDT	Name and Title
Approved as to Fiscal Provisions[2] DocuSigned by: Patricia Ruiz	
By: Patricia Ruiz Auditor/Controller Signed By: E79EF64E57454E6...	Date: 8/8/2025 | 2:56 PM CDT
Auditor/Controller	
Auditor Controller Analyst I	
Date: 8/14/2025 | 3:06 PM PDT	
Approved as to Liability Provisions[3]	
By: _____	
Risk Management	
Date: _____	

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required.
[2]Approval by Auditor-Controller is required.
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9 of Standard County Agreement.

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EXHIBIT A

To Agreement by and between
County of Monterey, for services at Monterey County Health Department, ("COUNTY")
and
Society for the Prevention of Animals for Monterey County (SPCA) ("CONTRACTOR")

Scope of Services/Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. 10 Mobile Spay/Neuter clinics for both owned domestic dogs and cats as well as feral cats (as space allows). Each clinic will cost $4,200 and include spay/neuter, rabies and FVRCP or DHPP vaccination (and ear tip for any feral cats). These clinics are for any South County resident, residing in either an unincorporated Monterey County area or South County city that is located south of Chualar. CONTRACTOR will be responsible to coordinate clinics with participants.

2. CONTRACTOR shall provide spay/neuter services and additional veterinary services for shelter animals as requested and approved in writing by HRAS staff, for the duration of the Agreement. All services are subject to staff approval and the availability of budgeted funds.

    a. Invoices for these services shall be separate from any other community clinic service invoices and must include animal ID numbers for each service provided.
    b. CONTRACTOR shall provide an updated cost per clinic and updated cost per service/treatment for approval prior to any scheduling. Cost per clinic to include spay/neuter, core vaccines, rabies vaccination and ear tip (feral only) with no additional cost to the resident or feral caretaker. Additional services including other vaccinations or microchips that are requested by the pet owner/caretaker are the responsibly of the pet owner/caretaker.
    c. COUNTY shall communicate each individual need to CONTRACTOR and provide written approval via email prior to the delivery of any services or treatment.

A.2 CONTRACTOR shall produce the following deliverables (written reports, installed products, etc.) by the dates indicated below:

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1. CONTRACTOR shall submit invoices following each clinic. With each invoice, CONTRACTOR shall provide the following data in a report: 1) total number of animals sterilized (specifying residents: unincorporated Monterey County or City of Salinas), 2) dogs vs cats; 3) male vs female; 4) number of female cats pregnant at time of surgery, 5) zip code and street name. This data will serve to help determine the locations that have benefitted from the services;

2. All written reports required under this Agreement shall be delivered to the Animal Services Director or designated staff, in accordance with the schedule above.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

COUNTY shall pay an amount not to exceed **$242,000** for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

1. Mobile Spay/Neuter clinics are at the rate of $4,200 per clinic and will provide services to approximately 25 animals per clinic. No additional fees are to be paid by COUNTY.

2. Residents are required to pay a $25 deposit to CONTRACTOR when scheduling clinic services. This deposit will be refunded upon attending the scheduled clinic appointment.

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR must obtain prior approval from COUNTY for all charges before submitting an invoice.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable.

CONTRACTOR shall invoice the COUNTY after services are provided for each animal that receives veterinary care. Each invoice must reference an animal with a

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corresponding Animal ID number received from Animal Services. Invoices received without corresponding Animal ID numbers may not be paid.

CONTRACTOR shall submit invoices following each feral cat clinic.

CONTRACTOR shall submit invoices to:

Invoices may be mailed to: Monterey County Health Department
Animal Services
Attn: Accounts Payable/Environmental Health
1270 Natividad Road
Salinas, CA 93906

Invoices shall be emailed directly to: 296-financeas@countyofmonterey.gov
Cc: gonzalezg@countyofmonterey.gov

COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

COUNTY shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-17223
a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Society for the Prevention of Cruelty to Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter mobile clinics for owned dogs and cats as well as feral cats of residents in South Monterey County in the amount of $42,000 with a term effective upon execution to June 30, 2025; and
b. Approve non-standard indemnification provisions as recommended by the Director of Health Services; and
c. Approve and authorize the Director of Health Services or designee to execute up to three future amendments to this Agreement where the amendments do not exceed 10% ($4,200) of the original Agreement amount, do not significantly change the scope of work, and the total Agreement amount does not exceed $46,200; and
d. Approve and authorize the Contracts and Purchasing Officer or their designee to execute future Amendments, provided they do not exceed an aggregate amount of $200,000 and fall within the signing authority of the Contracts and Purchasing Officer. (REVISED VIA SUPPLEMENTAL)

PASSED AND ADOPTED on this 11th day of February 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Daniels
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting February 11, 2025.

Dated: February 13, 2025
File ID: A 25-025
Agenda Item No.: 10

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

Docusign Envelope ID: A8DA4B5B-4F74-48E7-9CB4-54937877A93D

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Society for the Prevention of Animals for Monterey County (SPCA),

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services to be provided are generally described as follows:

All-inclusive spay/neuter mobile clinics for both owned domestic dogs and cats as well as feral cats of residents in South Monterey County.

2.0 PAYMENT PROVISIONS:

2.1 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 42,000

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from Upon Execution **to** June 30, 2025, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other:

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 The Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

Initial SD
Contractor
DS
County

~~CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.~~

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

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9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

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If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:

CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

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Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County,

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to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

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13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Cindy Burnham, Animal Services Administrator	Scott Delucchi, President and CEO
Name and Title	Name and Title
160 Hitchcock Rd., Salinas, CA. 93908	PO Box 3058, Monterey, CA. 93942
Address	Address
831.769.8796	831.264.5420
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

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16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

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18.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: DocuSigned by: _____
Department Head (if applicable)

Date: 2/20/2025 | 10:30 PM PST

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Robert I. Brayer Robert I. Brayer
County Counsel
County of Monterey

Date: 1/22/2025 | 4:32 PM PST

Approved as to Fiscal Provisions

By: DocuSigned by: Jennifer Forsyth Jennifer Forsyth
Auditor/Controller
Auditor-Controller Analyst II

Date: 1/22/2025 | 4:52 PM PST

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____
David Bolton, Risk Manager

Date: _____

CONTRACTOR

Society for the Prevention of Animals for Monterey Cou
Contractor/Business Name *

By: DocuSigned by: _____
(Signature of Chair, President, or Vice-President)

Scott Delucchi CEO
Name and Title

Date: 1/21/2025 | 1:42 PM PST

By: DocuSigned by: Susan Imwalle
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Susan Imwalle Vice President and CFO
Name and Title

Date: 1/21/2025 | 3:47 PM CST

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

Society for the Prevention of Animals for Monterey County (SPCA)
Term: Upon Execution - 06/30/2025
NTE: $42,000

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ADDENDUM NO. 1

TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY
AND SOCIETY FOR THE PREVENTION OF ANIMALS FOR MONTEREY COUNTY
(SPCA)

This Addendum No. 1 amends, modifies, and supplements the County of Monterey Agreement by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "County") and **SOCIETY FOR THE PREVENTION OF ANIMALS FOR MONTEREY COUNTY (SPCA)** (hereinafter "CONTRACTOR"). This Addendum No. 1 has the full force and effect as if set forth within the Agreement and is incorporated by reference and made a part of the Agreement. Notwithstanding the provision of Section 16.16 of the Agreement, to the extent that any of the terms or conditions contained in this Addendum No. 1 may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum No. 1 shall take precedence and supersede the Agreement.

NOW, THEREFORE, County and CONTRACTOR agree that the Agreement terms and conditions shall be amended, modified, and supplemented as follows:

1. Section 8.0 of the Agreement, shall be deleted and restated in its entirety to read as follows:

8.0 MUTUAL INDEMNIFICATION

Each party shall indemnify, defend, and hold harmless the other, its officers, agents, employees, or subcontractors from and against any claim, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorney's fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the other party's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "Party's performance" includes Party's action or inaction and the action or inaction of the party's officers, employees, agents and subcontractors.

********** SIGNATURE PAGE TO FOLLOW **********

Docusign Envelope ID: A8DA4B5B-4F74-48E7-9CB4-54937877A93D

IN WITNESS WHEREOF, the parties hereto have executed this Addendum No. 1, by the authority as follows:

CONTRACTOR – Society for the Prevention of Animals for Monterey County (SPCA)

Approved:

By: DocuSigned by: E9A63BB4FC16419...

Scott Delucchi CEO

Name and Title

Date: 1/21/2025 | 1:42 PM PST

Approved:

By: DocuSigned by: Susan Imwalle A95F75EA3A1647C...

Susan Imwalle Vice President and CFO

Name and Title

Date: 1/21/2025 | 3:47 PM CST

COUNTY OF MONTEREY

Approved as to Form:

By: DocuSigned by: Robert I. Brayer 6D0AC6C2AA4A4A8...

Robert I. Brayer County of Monterey

Name and Title

Date: 1/22/2025 | 4:32 PM PST

Approved: as to Fiscal Provisions

By: DocuSigned by: Jennifer Forsyth 4E7E657875454AE...

Jennifer Forsyth Auditor-Controller Analyst II

Name and Title

Date: 1/22/2025 | 4:52 PM PST

Approved:

By: DocuSigned by: C7A30BA59CA8423...

Elsa Mendoza Jimenez, Director of Health Services

Name and Title

Date: 2/20/2025 | 10:30 PM PST

Docusign Envelope ID: A8DA4B5B-4F74-48E7-9CB4-54937877A93D

EXHIBIT A

To Agreement by and between
County of Monterey, for services at Monterey County Health Department, ("COUNTY")
and
Society for the Prevention of Animals for Monterey County (SPCA) ("CONTRACTOR")

Scope of Services/Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. 10 Mobile Spay/Neuter clinics for both owned domestic dogs and cats as well as feral cats (as space allows). Each clinic will cost $4,200 and include spay/neuter, rabies and FVRCP or DHPP vaccination (and ear tip for any feral cats). These clinics are for any South County resident, residing in either an unincorporated Monterey County area or South County city that is located south of Chualar. CONTRACTOR will be responsible to coordinate clinics with participants.

A.2 CONTRACTOR shall produce the following deliverables (written reports, installed products, etc.) by the dates indicated below:

1. CONTRACTOR shall submit invoices following each clinic. With each invoice, CONTRACTOR shall provide the following data in a report: 1) total number of animals sterilized (specifying residents: unincorporated Monterey County or City of Salinas), 2) dogs vs cats; 3) male vs female; 4) number of female cats pregnant at time of surgery, 5) zip code and street name. This data will serve to help determine the locations that have benefitted from the services;

2. All written reports required under this Agreement shall be delivered to the Animal Services Director or designated staff, in accordance with the schedule above.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

COUNTY shall pay an amount not to exceed **$42,000** for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

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1. Mobile Spay/Neuter clinics are at the rate of $4,200 per clinic and will provide services to approximately 25 animals per clinic. No additional fees are to be paid by COUNTY.

2. Residents are required to pay a $25 deposit to CONTRACTOR when scheduling clinic services. This deposit will be refunded upon attending the scheduled clinic appointment.

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable.

CONTRACTOR shall invoice the COUNTY after services are provided for each animal that receives veterinary care. Each invoice must reference an animal with a corresponding Animal ID number received from Animal Services. Invoices received without corresponding Animal ID numbers may not be paid.

CONTRACTOR shall submit invoices following each feral cat clinic.

CONTRACTOR shall submit invoices to:

Invoices may be mailed to: Monterey County Health Department
Animal Services
Attn: Accounts Payable/Environmental Health
1270 Natividad Road
Salinas, CA 93906

Invoices shall be emailed directly to: 296-FinanceAS@co.monterey.ca.us
Cc: gonzalezg@countyofmonterey.gov

COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

COUNTY shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

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DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

Introduced: 8/18/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Steel Patriot Partners, LLC for the provision of tailored outsourced compliance and cybersecurity implementation services to support, achieve, and maintain Health Insurance Portability and Accountability Act (HIPAA) governance and compliance goals, for a term of September 30, 2025 through September 29, 2026, for a total Agreement amount of $50,000; and
b. Approve and authorize the Director of Health Services or designee to execute a Business Associate Agreement (BAA) with Steel Patriot Partners, LLC; and
c. Approve and authorize the Director of Health Services or designee to approve up to three (3) future Amendments that do not exceed 10% ($5,000) of the original Agreement amount, do not significantly alter the scope of services, and do not exceed the maximum amount of $55,000; and
d. Approve and authorize the Contracts and Purchasing Officer or designee to execute future Amendments to the agreement where the Amendments do not significantly change the scope of work, do not exceed an aggregate amount of $200,000 and fall within the signing authority of the Contracts and Purchasing Officer.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Steel Patriot Partners, LLC for the provision of tailored outsourced compliance and cybersecurity implementation services to support, achieve, and maintain Health Insurance Portability and Accountability Act (HIPAA) governance and compliance goals, for a term of September 30, 2025 through September 29, 2026, for a total Agreement amount of $50,000; and
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SUMMARY/DISCUSSION:

As a healthcare provider, the County of Monterey Health Department (MCHD) is required to comply with the Health Insurance Portability and Accountability Act (HIPAA), which establishes national

standards for protecting sensitive patient information. Compliance with HIPAA is not only a legal requirement but also a critical component of maintaining public trust, safeguarding individual privacy, and ensuring the integrity of the Department's operations. While periodic self-assessments can help identify and address potential gaps, they may be limited in scope or objectivity. Engaging an independent, qualified outside vendor to conduct a comprehensive HIPAA audit provides a more rigorous, unbiased evaluation of current practices, strengthens accountability, and ensures that MCHD is meeting or exceeding both regulatory requirements and industry best practices. This approach also aligns with recognized accreditation standards, reinforces risk management efforts, and helps prepare the Department for any external compliance reviews or investigations.

This work supports the County of Monterey Health Department 2025-2028 Strategic Plan Goals: Build Community Power and Partners' Capacity to Increase Equity and Improve Health, Engage MCHD workforce and improve operational functions to meet current and developing population health needs. It also supports the following of the ten essential public health services, specifically: 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
The Offices of the County Counsel and the Auditor-Controller have reviewed and approved as to legal form and fiscal provisions, respectively.

FINANCING:
There are sufficient appropriations in the Health Departments Fiscal Year (FY) 2025-26 Adopted Budget 001-4000-8438-HEA014 to accommodate the current FY's costs, and provision will be made in the FY 2026-27 Requested Budget for the anticipated expenditures.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Rich Wagreich, Departmental Information Systems Manager II, 755-4351
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Agreement

Introduced: 8/18/2025

Current Status: Health Department - Consent

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- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Rich Wagreich, Departmental Information Systems Manager II, 755-4351
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Agreement

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COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Steel Patriot Partners, LLC.

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: tailored outsourced compliance and cybersecurity implementation services to support, achieve, and maintain Health Insurance Portability and Accountability Act (HIPAA) governance and compliance goals.

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 50,000

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from September 30, 2025 to September 29, 2026, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other:

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Richard Wagreich, Departmental IT Manager, II	Amy Ford, COO
Name and Title	Name and Title
1270 Natividad Rd., Salinas, CA. 93906	673 Potomac Station Drive Suite 615 Leesburg, VA 20176
Address	Address
831.755.4351	aford@steelpatriotpartners.com, 703-297-4405
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Stacy Saetta C0ECE1B99F444A9... Stacy Saetta
County Counsel
Chief Deputy County Counsel

Date: 7/22/2025 | 1:43 PM PDT

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E79EF64E574A4F6... Patricia Ruiz
Auditor/Controller
Auditor Controller Analyst I

Date: 7/23/2025 | 8:11 AM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____
David Bolton, Risk Manager

Date: _____

CONTRACTOR

Steel Patriot Partners, LLC.
Contractor/Business Name *

By: DocuSigned by: Jason Ford 7E5CAB8D7581447...
(Signature of Chair, President, or Vice-President)

Jason Ford CEO
Name and Title

Date: 7/8/2025 | 4:46 PM PDT

By: DocuSigned by: Amy Ford (Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Amy Ford COO
Name and Title

Date: 7/8/2025 | 5:43 AM PDT

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective September 30, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and Steel Patriot Partners, LLC. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Attn: Amy Ford, COO

Phone: 703-297-4405
Fax:
Email: aford@steelpatriotpartners.com

If to Covered Entity, to:

County of Monterey Health Department Attn:
Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Amy Ford 42B3DE1D42654D1...	By: _____
Print Name Amy Ford	Print Name: _____
Print Title COO	Print Title: _____
Date: 7/8/2025 | 5:43 AM PDT	Date: _____

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EXHIBIT A

To Agreement by and between
The County of Monterey, hereinafter referred to as "COUNTY"
AND
Steel Patriot Partners, LLC. hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Provide tailored outsourced compliance and cybersecurity implementation services to support, achieve, and maintain Health Insurance Portability and Accountability Act (HIPAA) governance and compliance goals.

1. CONTRACTOR shall perform all tasks related to outsourced compliance and cybersecurity implementation services, with a white-glove, hands-on approach designed to reduce technical debt, implement required safeguards, and support strategic governance goals:
    a. CONTRACTOR shall serve as both a trusted advisor and an implementation partner, leveraging industry expertise to provide actionable guidance, technical assessments, and compliance support aligned with federal, state, and enterprise cybersecurity requirements.

A.2 CONTRACTOR Core Services – HIPAA Compliance Assessment:
Duration: Approximately 4-6 weeks

1. CONTRACTOR shall assess the COUNTY's current HIPAA compliance posture and provide tailored recommendations for remediation. The assessment will focus on the following areas:
    A. Administrative, Physical, and Technical Safeguards (Security Rule)
        i. **Administrative:** Risk analysis, workforce security, training, contingency planning.
        ii. **Physical:** Facility access controls, workstation/device security.
        iii. **Technical:** Access controls, encryption, audit controls, integrity verification.

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B. Privacy Rule Compliance

i. Review policies and procedures for the use/disclosure of Protected Health Information (PHI).

ii. Evaluate compliance with Notice of Privacy Practices and patient rights.

C. Breach Notification Rule Compliance

i. Assess your incident detection, breach risk assessment processes, and response protocols to ensure compliance with notification timelines and documentation requirements for HHS and affected individuals.

D. Risk Assessment and Documentation Review

i. Analyze existing HIPAA risk assessments, threat catalogs, data flow diagrams, and Business Associate Agreements (BAAs), and documentation to determine completeness, accuracy, and regulatory sufficiency.

E. Workforce Awareness and Training Review

ii. Evaluate training materials, employee onboarding processes, and awareness campaigns for HIPAA compliance relevance and frequency.

A.3 CONTRACTOR Deliverables:

1. **HIPAA Compliance Gap Assessment Report**
   Detailed findings of current compliance posture and areas requiring attention.
2. **Risk Register & Remediation Roadmap**
   Summary of program areas and controls requiring remediation to meet requirements and leading practice recommendations to enhance the maturity of the program.

A.4 COUNTY Responsibilities:

1. **Designate a Primary Point of Contact (POC)**
   Assign a representative to coordinate communications, schedule meetings, and ensure timely access to personnel and documentation. This POC should have decision-making authority or the ability to escalate issues internally.
2. **Provide Access to Relevant Documentation**
   Share existing policies, procedures, risk assessments, training records, vendor contracts, and security program artifacts relevant to HIPAA compliance.
3. **Facilitate Interviews with Key Personnel**

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Coordinate the availability of team members from IT, HR, compliance, legal, and operations departments to participate in scheduled interviews or working sessions.

4. **Grant Read-Only Access to Systems (if applicable)**
   If technical evaluation is included, provide read-only access or review via screenshare to applicable systems, tools, or dashboards (e.g., SIEM, endpoint protection, asset inventory) to review implemented safeguards.
5. **Timely Review and Feedback**
   Review draft deliverables (e.g., gap assessment report, remediation roadmap) and provide feedback or clarifications within mutually agreed timeframes to avoid project delays.
6. **Vendor List and Third-Party Contracts**
   Provide a list of third-party vendors with access to customer PHI, along with sample contracts and risk assessment materials used to evaluate vendor security.
7. **Maintain Internal Ownership of Risk Remediation**
   While Steel Patriot Partners will provide guidance and recommendations, the client retains responsibility for decision-making, prioritization, and implementation of risk remediation efforts.

A.5 Optional Services (Available Upon Request):

The following additional services may be provided as needed, under separately authorized work orders or amendments:

1. **Remediation Support and Advisory**
   Assist with closing identified compliance gaps by providing advisory services, technical recommendations, and project management support to guide implementation efforts based on the remediation roadmap.
2. **Policy and Procedure Development**
   Draft or update critical documentation such as Information Security Programs, Incident Response Plans, Data Retention Policies, Vendor Management Policies, and Privacy Notices to align with HIPAA requirements.
3. **Security Awareness and Privacy Training**
   Deliver customized employee training programs focused on HIPAA Standard and Role Based obligations.
4. **Technical Hardening and Access Control Audits**
   Provide ongoing advisory services to perform yearly reviews of the Information Security Program, update the risk assessment, and prepare for internal audits or external regulatory exams.

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5. **Incident Response Plan Testing and Tabletop Exercises**
   Facilitate tabletop exercises simulating HIPAA-related incidents (e.g., data breach scenarios) to evaluate and improve the organization's incident detection, escalation, and response capabilities.
6. **Ongoing HIPAA Monitoring and Program Operations Services**
   Offer managed compliance monitoring services, periodic security reviews, and reporting to ensure sustained HIPAA compliance between assessments.

All written reports required under this Agreement must be delivered in accordance with the schedule above, to:

Richard Wagreich, Departmental Information Systems Manager, II
Monterey County Health Department - IT
1270 Natividad Road
Salinas, CA 93906
wagreichr@countyofmonterey.gov

B. PAYMENT PROVISIONS

B.1 COMPENSATION/ PAYMENT

COUNTY shall pay an amount not to exceed **$50,000** during the term of this Agreement, for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

Option 1: Assessment

- **One Time Assessment: $50,000**
- Multi-year pricing options with discounts available upon request).

ALL TAXABLE ITEMS SHOULD BE CLEARLY IDENTIFIED. It is preferable to state the tax rate applied in parenthesis and all taxes should be listed as a separate line item.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

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B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

Invoices **shall** be emailed directly to: HDADMINFinance@countyofmonterey.gov
Cc: wagreichr@countyofmonterey.gov

Invoices may be mailed to:
Monterey County Health Department
Attn: Accounts Payable/Admin-IT
1270 Natividad Road
Salinas, CA 93906

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

Introduced: 8/20/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and OCD Anxiety Centers, LLC for the provision of a virtual intensive outpatient program for a total amount not to exceed $15,050 for the term of January 13, 2025 through March 17, 2025; and
b. Accept non-standard risk provisions as recommended by the Director of Health Services.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and OCD Anxiety Centers, LLC for the provision of a virtual intensive outpatient program for a total amount not to exceed $15,050 for the term of January 13, 2025 through March 17, 2025; and
b. Accept non-standard risk provisions as recommended by the Director of Health Services.

SUMMARY/DISCUSSION

OCD Anxiety Centers LLC Virtual Intensive Outpatient Program specializes in Exposure Response Prevention, Cognitive Behavioral Therapy (CBT) and Dialectical Behavior Therapy (DBT) skills, weekly Family Exposure Groups, weekly DBT parent skills group, and individual, family, and group therapy sessions via telehealth.

This Agreement is retroactive to January 13, 2025 the date an emergency priority placement took place. OCD Anxiety Centers LLC. provided specialized residential OCD treatment services while contract negotiations took place to execute an Agreement.

The contractor's services are highly specialized, and the Director of Health has recommended to waive the Cyber Liability Insurance to retain services. OCD Anxiety Centers LLC did not utilize an Electronic Health Record System while providing services.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 2). Provide Exceptional Person-Centered Care through Accessible, Community-Focused Health Services. It also supports one of the ten essential public health services, specifically: 5) Develop policies and plans that support individual and community health efforts.

OTHER AGENCY INVOLVEMENT

The Office of the County Counsel and Auditor-Controller have reviewed and approved as to legal

form and fiscal provisions, respectively.

FINANCING
This Agreement is funded by Realignment (100%). The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year FY 2024-25 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Katherine Bonilla, Management Analyst II, 796-1743
Approved By: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Agreement

Introduced: 8/20/2025

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☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Katherine Bonilla, Management Analyst II, 796-1743
Approved By: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Agreement

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **OCD ANXIETY CENTERS CALIFORNIA LLC** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

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"DHCS" means the California Department of Health Care Services.

II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **CONTRACTOR will provide virtual Intensive Outpatient Program treatment for individuals who suffer from obsessive-compulsive disorder (OCD), anxiety and related diagnoses as authorized by the County of Monterey Department of Health, Behavioral Health Bureau.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: AUDITS AND AUDIT APPEALS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. ~~For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.~~ For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

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A. Term. This Agreement shall be effective **January 13, 2025** and shall remain in effect until **March 17, 2025**.

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

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12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in

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accordance with Exhibit E to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E https://www.govinfo.gov/app/details/CFR-2012-title2-vol1/CFR-2012-title2-vol1-part230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

~~VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS~~

~~A. ICD-10~~

~~1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.~~

~~2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.~~

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3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

VIII. PROGRAM INTEGRITY

A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

   a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

   b. A history of loss of license or felony convictions;

   c. A history of loss or limitation of privileges or disciplinary activity;

   d. A lack of present illegal drug use; and

   e. The application's accuracy and completeness

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5. ~~CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.~~
6. ~~CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.~~

7. ~~CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.~~

~~C. SCREENING AND ENROLLMENT REQUIREMENTS~~

1. ~~COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))~~

2. ~~COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))~~

3. ~~CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).~~

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service

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Information System ("CSI"). Units of time reporting are subject to special review and audit.

D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify

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the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

XI. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

~~C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).~~

~~D. Continuity of Care~~

~~CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1) (2).)~~

~~E. Network Adequacy~~

~~1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).~~

~~2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.~~

~~3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.~~

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4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

F. Practice Guidelines

1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

   a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

   b. They consider the needs of the clients;

   c. They are adopted in consultation with contracting health care professionals; and

   d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

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1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   a. Complete written description of event including outcome;

   b. Written report of CONTRACTOR's investigation and conclusions;

   c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

~~J. Client Informing Materials~~

~~1. Basic Information Requirements~~

~~a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.~~

~~b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)~~

~~c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.~~

~~d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3))~~

~~e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:~~

~~i. The format is readily accessible;~~

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ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

iii. The information is provided in an electronic form which can be electronically retained and printed;

iv. The information is consistent with the content and language requirements of this agreement;

v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

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a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

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ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of

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the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

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XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence if maximum estimated reimbursement obligation by COUNTY to CONTRACTOR under this Agreement is over $100,000 or of not less than $500,000 per occurrence if maximum estimated reimbursement obligation by COUNTY to CONTRACTOR under this Agreement is $100,000 and less.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability

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for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold

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payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

~~**XVI. BUDGET**~~

~~CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.~~

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

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E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients

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of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

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H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

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1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement.

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Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the

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terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes, LMFT, LPCC, CCISM
Interim Behavioral Health Bureau Chief/
Behavioral Health Director
County of Monterey, Health Department
1270 Natividad Road
Salinas, CA 93906
(831) 755-4510

CONTRACTOR

Katie Barrett
Payor Relations
OCD Anxiety Centers California LLC
1459 N Main Street, Suite 100
Bountiful, UT, 84010
(385)442-6922

(The remainder of this page is left intentionally blank)

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/15/2025 | 1:59 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/18/2025 | 12:55 PM PDT

Approved as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

OCD ANXIETY CENTERS CALIFORNIA LLC
Contractor's Business Name *

By: Signed by: Mark Hobbins C73303DD9061484...
(Signature of Chair, President, or Vice-President) *

Mark Hobbins, President
Name and Title

Date: 8/13/2025 | 10:00 AM PDT

By: Signed by: Ryan Eggleston 222651FE9A2B442...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Ryan Eggleston, CFO
Name and Title

Date: 8/14/2025 | 11:15 AM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made to Insurance or Indemnification provisions

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

OCD Anxiety Centers California LLC
1459 N Main Street, Suite 100
Bountiful, UT, 84010

Site Location: 2045 Compton Avenue Suite 101, Corona, CA, 92881

II. PROGRAM GOALS AND OBJECTIVES

VIRTUAL INTENSIVE OUTPATIENT PROGRAM

A. DESCRIPTION:

1. The Virtual Intensive Outpatient Program specializes in Exposure Response Prevention, Cognitive Behavioral Therapy (CBT) and Dialectical Behavior Therapy (DBT) skills, weekly Family Exposure Groups, weekly DBT parent skills group, and individual, family, and group therapy sessions via telehealth. The program is 5 days per week, Monday to Friday, for 3 hours per day. Contractor shall provide individualized mental health intensive outpatient program treatment via telehealth and administer weekly outcome measures to track client's progress/regression.
2. All services shall be consistent with the initial and updated treatment plans. The client's progress in treatment will be re-evaluated prior to requesting additional services.

B. POPULATION/CATCHMENT AREA TO BE SERVED

County of Monterey adult beneficiaries as authorized by the County of Monterey Department of Health, Behavioral Health Bureau.

C. CLINICAL RECORDS

CONTRACTOR shall prepare a clinical record for each individual client in compliance with all State and Federal requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes. CONTRACTOR shall cooperate with the transfer of records as may be required.

D. DESIGNATED CONTRACT MONITOR

Jackie Townsend, MS LMFT
Behavioral Health Services Manager II
Access to Treatment Salinas and CalWORKs
Monterey County Health Department

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1441 Constitution Blvd. Bldg. 400 Ste. 200
Salinas, CA 93906

III. SERVICE PROVISIONS

A. Certification of Eligibility

CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS.

B. Access to Specialty Mental Health Services

1. In collaboration with the COUNTY, Contractor will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (a) or (b) below. If a client under age 21 meets the criteria as described in (a) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (b) below.

   a. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

   b. The client has at least one of the following:

      a. A significant impairment,

      b. A reasonable probability of significant deterioration in an important area of life functioning,

      c. A reasonable probability of not progressing developmentally as appropriate, or

      d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

   e. The client's condition listed above is due to one of the following:

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a. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

b. A suspected mental health disorder that has not yet been diagnosed.

c. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (a) and (b) below:

a. The client has one or both of the following:

i. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

ii. A reasonable probability of significant deterioration in an important area of life functioning.

b. The client's condition as described in paragraph (a) is due to either of the following:

i. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

ii. A suspected mental disorder that has not yet been diagnosed.

C. Additional Clarifications

1. Criteria

a. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:

i. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
ii. The service was not included in an individual treatment plan; or

iii. The client had a co-occurring substance use disorder.

2. Diagnosis Not a Prerequisite

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a. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

C. Medical Necessity

1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.

2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

D. Coordination or Care

1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.

2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.

3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

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E. Co-Occurring Treatment and No Wrong Door

1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.

2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

   a. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.

   b. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

IV. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. Services Authorization

1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.

2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.

3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.

4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.

5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

B. Telehealth

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1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

   https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Fixed Service Rate up to maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

CONTRACTOR shall be reimbursed at the following negotiated rate:

VIRTUAL INTENSIVE OUTPATIENT PROGRAM		
Amount Per FY	**Daily Rate**	**Total Maximum Agreement**
FY 2024-25	$350	$15,050
FY 2025-25 Maximum Liability		**$15,050**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S

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Maximum Rate, which is based on the most recent State's Medi-Cal Behavioral Health Service Fee Schedules established by the State's Department of Health Care Services. In no case shall payments to CONTRACTOR exceed County's Maximum Rates. In addition to the rate limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Behavioral Health Invoice Form provided as Exhibit F, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30^{th}) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

   CONTRACTOR shall submit via email a monthly claim using Exhibit F, Behavioral Health Invoice Form in Excel format with electronic signature along with supporting documentation, as may be required by the COUNTY for services rendered to:

   MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or

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end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. ~~Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.~~

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$15,050** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
FY 2024- 25	$15,050
TOTAL MAXIMUM COUNTY OBLIGATION:	**$15,050**

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C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

A. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

B. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H and 2 C.F.R. § 230. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

C. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

D. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

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E. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

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A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services are submitted by CONTRACTOR to COUNTY.

   CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in undertaking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal claims or other State required claims data within the thirty (30) calendar daytime frame(s) as prescribed by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative

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Activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section II (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Health Care Services guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated fee for service program revenue, under this Agreement, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

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E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) showing all such non-reported revenue.
2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

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G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C:
CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

OCD Anxiety Centers California LLC
Business Name of Contractor

Signed by:
Mark Hobbins
C73303DD9061484...
Signature of Authorized Representative

Mark Hobbins
Name of Authorized Representative (printed)

8/13/2025 | 10:00 AM PDT
Date

President
Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	OCD Anxiety Centers California LLC		
Name of Contractor's Designee	Mark Hobbins		
Title of Designee	President		
Street 11260 S. River Heights Dr.			
City South Jordan	State UT	Zip 84095	
IRS Employer Identification Number	99-2032506 - CA		

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by:
Mark Hobbins
C73303DD9061484...

Signature of Contractor

Date 8/13/2025 | 10:00 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.

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- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.
(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.
(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.
(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.
(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and

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preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

OCD ANXIETY CENTERS CALIFONIA LLC
Contractor (Organization Name)

Signed by:
Mark Hobbins
C73303DD90614844...
Signature of Authorized Representative

Mark Hobbins
Name of Authorized Representative

8/13/2025 | 10:00 AM PDT
Date

President
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective **January 13, 2025** ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and **OCD ANXIETY CENTERS CALIFORNIA LLC** ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

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AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

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(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non- permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name

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of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

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3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de- identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R.
§ 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if,

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and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

OCD Anxiety Centers California LLC
Attn: Katie Barrett
1459 N Main Street, Suite 100
Bountiful, UT, 84010
Phone: (385)442-6922
Email: katie.barrett@ocdanxietycenters.com

If to Covered Entity, to:

County of Monterey Health Department

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Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

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~~**5.10 Insurance**. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:~~

DS
7/29/2025 | 3:42

~~Unique Patients~~	~~Coverage~~
~~Less than 12,001~~	~~$2,000,000~~
~~12,001 – 30,000~~	~~$3,000,000~~
~~30,001 – 60,000~~	~~$5,000,000~~
~~More than 60,000~~	~~$10,000,000~~

Initial
8/13/2025 | 10:00 AM PDT

~~If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.~~

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or

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its Subcontractor, employee, or agent is a named adverse party.

5.14 **No Offshore Work**. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 **Information Blocking Rules**. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Mark Hobbins C73303DD90061484...	By:
Print Name Mark Hobbins	Print Name: Elsa Jimenez
Print Title President	Print Title: Director of Health
Date: 8/13/2025 | 10:00 AM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	OCD ANXIETY CENTERS LLC	Invoice Number :	
Address Line 1	1459 N Main Street, Suite 100, Bountiful, UT, 84010	County PO No. :	
Address Line 2		Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:	January 13, 2025 - March 17, 2025	Final Invoice :	(Check if Yes)
BH Division :			BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2024-25	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Virtual Intensive Outpatient Program			$350.00	43			0	43	100%	$ 15,050	$ -		$ -	$ 15,050.00	100%
							0	0	#DIV/0!	$ -	$ -		$ -	$ -	#DIV/0!
TOTALS				43	0	0	0	43	100%	$15,050	0.00	0.00	0.00	$15,050	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____
Authorized Signatory Date

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I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

    1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

    2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

    3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

    1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Not withstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

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2. Deducted from future claims over a period not to exceed six (6) months;

3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

(The remainder of this page is left intentionally blank)

Introduced: 8/28/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Front St., Inc. for the provision of residential services to older adults with serious and persistent mental illness for a maximum County obligation of $1,689,634 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($168,963) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,858,597.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Front St., Inc. for the provision of residential services to older adults with serious and persistent mental illness for a maximum County obligation of $1,689,634 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($168,963) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,858,597.

SUMMARY/DISCUSSION

Front St., Inc. provides a community-based activities for older adults, age sixty (60) and over with serious and persistent mental illness with a co-occurring condition. Front St. provides these services at the Drake House facility, a licensed Residential Care Facility, located in the City of Monterey.

This Agreement with Front St., Inc. is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16998 ending June 30, 2025. This Agreement renews the same contract provisions but increase the number of beds available by one (1) based on historic usage.

Due to late and ongoing contract negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an

additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s):" 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by MHSA and Medi-Cal revenues. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 8/28/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Front St., Inc. for the provision of residential services to older adults with serious and persistent mental illness for a maximum County obligation of $1,689,634 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($168,963) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,858,597.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Front St., Inc. for the provision of residential services to older adults with serious and persistent mental illness for a maximum County obligation of $1,689,634 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($168,963) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $1,858,597.

SUMMARY/DISCUSSION

Front St., Inc. provides a community-based activities for older adults, age sixty (60) and over with serious and persistent mental illness with a co-occurring condition. Front St. provides these services at the Drake House facility, a licensed Residential Care Facility, located in the City of Monterey.

This Agreement with Front St., Inc. is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16998 ending June 30, 2025. This Agreement renews the same contract provisions but increase the number of beds available by one (1) based on historic usage.

Due to late and ongoing contract negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an

additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s):" 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by MHSA and Medi-Cal revenues. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Docusign Envelope ID: 7221372C-A8F3-42DB-B4F8-654AC2284C89

COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **FRONT ST., INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Twenty-four (24)-hour residential care and supervision facility for up to forty-nine (49) older adults, ages sixty (60) and over, with a serious and persistent mental illness.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: BUDGET AND EXPENDITURE REPORT
EXHIBIT I: AUDITS AND AUDIT APPEALS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

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B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement

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coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

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5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. ICD-10

1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

VIII. PROGRAM INTEGRITY

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A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

   a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

   b. A history of loss of license or felony convictions;

   c. A history of loss or limitation of privileges or disciplinary activity;

   d. A lack of present illegal drug use; and

   e. The application's accuracy and completeness

5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.

6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.

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7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.

C. SCREENING AND ENROLLMENT REQUIREMENTS

1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))

2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))

3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

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A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

   b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

XI. PATIENT RIGHTS

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A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).

D. Continuity of Care

CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

E. Network Adequacy

1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).

2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.

3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.

4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

F. Practice Guidelines

1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

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a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

b. They consider the needs of the clients;

c. They are adopted in consultation with contracting health care professionals; and

d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

a. Complete written description of event including outcome;

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b. Written report of CONTRACTOR's investigation and conclusions;

c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

J. Client Informing Materials

1. Basic Information Requirements

a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.

b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.

d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3))

e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:

i. The format is readily accessible;

ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

iii. The information is provided in an electronic form which can be electronically retained and printed;

iv. The information is consistent with the content and language requirements of this agreement;

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v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

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v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with

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disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

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A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for

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services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

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Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XVI. BUDGET

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CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies,

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Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;

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2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

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I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of

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employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

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D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or

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delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY	**CONTRACTOR**
Melanie Rhodes Behavioral Health Bureau Chief 1270 Natividad Road Salinas, CA 93906 (831) 755-4580	JP Butler Vice President Front St., Inc. 2115 7th Avenue Santa Cruz, CA 95062 (831) 420-0120

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/18/2025 | 2:43 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/19/2025 | 9:41 AM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

FRONT ST., INC.
CONTRACTOR NAME
Contractor's Business Name *

By: Signed by: Jonathan P Butler 42D499D0EF194F4...
(Signature of Chair, President, or Vice-President) *

JP Butler, Vice-President
Name and Title

Date: 7/2/2025 | 8:00 AM PDT

By: Signed by: Amy McCabe F4452C5E3DD8478...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Amy McCabe, CFO
Name and Title

Date: 7/16/2025 | 4:29 PM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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C. Assessment

1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.

2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.

3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.

4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

D. Problem List

1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.

3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.

4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.

5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

E. Treatment and Care Plans

1. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

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F. Progress Notes

1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.

4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.

5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

G. Transition of Care Tool

1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.

2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.

3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at: https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided form. The only exception to this requirement is when the tool is translated into languages other than English.

H. Telehealth

1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

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https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

X. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Provisional Rates and Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

B. NEGOTIATED RATE: PROVIDER ROLE-BASED MHS SERVICES

CONTRACTOR shall be reimbursed the following negotiated rates for services. Rendering Staff Type shall provide services according to the Monterey County Behavioral Health Specialty Mental Health Services Documentation Manual, Scope of Practice.

CONTRACTOR may exceed units by clinician within a program or total contract as long as the annual program not-to-exceed (NTE) or annual maximum County obligation is not exceeded.

The following program services will be paid for actual client usage in arrears, not to exceed the negotiated rates on a monthly basis for a total amount not to exceed **$736,411** for **FY 2025-26** *(amounts are rounded to the nearest dollar)*:

Rendering Staff Type	Mode of Service	Service Function Code	FY 2025-26 Rate per UOS (minutes)	Total UOS	Line Item Total
LVN	15	01,10,30, 40,45, 50, 60, 70	$4.93	0	$0
MFT / LPCC or LCSW (Licensed, Waivered, or Registered)			$5.82	6,000	$34,917
Mental Health Rehab Specialist; Psychology Intern; Other Qualified Provider			$4.38	160,250	$701,494
Total Services Billed to Medi-Cal FY 2025-26:					**$736,411**

B. NEGOTIATED RATE: BOARD AND CARE

The following Board and Care services will be paid for actual client usage in arrears, not to exceed the listed daily bed rates, on a monthly basis for a total amount not to exceed **$953,223** for **FY 2025-26** *(amounts are rounded to the nearest dollar)*:

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Fiscal Year	CMA Rate	Estimated UOS	Maximum Yearly Estimated Cost
July 1, 2025 - June 30, 2026	$100.45	9,490	$953,223
BOARD & CARE MAXIMUM AMOUNT:			**$953,223**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Allowances (CMA), which is based on the most recent State's Schedule of Maximum Allowances (SMA) as established by the State's Department of Mental Health. The SMA Schedule shall be used until COUNTY establishes the COUNTY'S rate Schedule of Maximum Allowances. CONTRACTOR shall be responsible for costs that exceed applicable CMAs. In no case shall payments to CONTRACTOR exceed CMAs. In addition to the CMA limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of the County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

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C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

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I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$1,689,634** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2025 to June 30, 2026	$1,689,634
TOTAL MAXIMUM LIABILITY:	**$1,689,634**

C. Estimated Contract Funding Sources for Fiscal Year (FY) 2025-26:

Fiscal Year	MHSA/CSS	FFP/Medi-Cal	Total Funding per Fiscal Year
July 1, 2025 - June 30, 2026	$1,321,429	$368,206	$1,689,634
		TOTAL:	**$1,689,634**

The County retains the right to adjust the funding sources as may be required.

D. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

E. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

F. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

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A. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal and Healthy Families claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

B. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

C. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

D. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

E. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

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B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries and to Healthy Families subscribers diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services and/or Healthy Families services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services and/or Healthy Families services are submitted by CONTRACTOR to COUNTY.

   CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in under taking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

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C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal, and/or Healthy Families claims or other State required claims data within the thirty (30) calendar day time frame(s) as prescribed by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services, and/or Healthy Families services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services and/or Healthy Families services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services/activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services/ activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may offset future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section IV (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

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K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Mental Health guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated program revenue, under this Agreement, for a maximum period of one Fiscal Year, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement. CONTRACTOR shall report the expenditures for the mental health services/activities funded by this unanticipated revenue in the Annual Report(s) and Cost Report Settlement submitted by CONTRACTOR to COUNTY.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) and Cost Report Settlement all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

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1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) and Cost Report Settlement showing all such non-reported revenue.

2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).

3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

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I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY'S authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

Signed by:
Jonathan P Butler
42D499D0EF194F4...
Signature of Authorized Representative

7/2/2025 | 8:00 AM PDT
Date

Front St., Inc.
Business Name of Contractor

JP Butler
Name of Authorized Representative (printed)

Vice-President
Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	**Front St., Inc.**		
Name of Contractor's Designee	**JP Butler**		
Title of Designee	**Vice-President**		
Street 2115 7th Avenue			
City Santa Cruz	State CA	Zip 95062	
IRS Employer Identification Number	77-0237275		

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by:
Jonathan P Butler
42D400D0EF194F4...

Signature of Contractor

Date 7/2/2025 | 8:00 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.

- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.

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- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Triqui and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Triqui, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and

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preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Signed by:
Jonathan P Butler
42D499D0EF194F4...
Signature of Authorized Representative

7/2/2025 | 8:00 AM PDT
Date

Front St., Inc.
Contractor (Organization Name)

JP Butler
Name of Authorized Representative (*printed*)

Vice-President
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and FRONT ST., INC. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

FRONT ST., INC.
Attn: JP Butler, Vice President
2115 7th Avenue
Santa Cruz, CA 95062
Phone: (831) 420-0120
Fax: (831) 420-0136
Email: jbutler@frontst.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

Docusign Envelope ID: 7221372C-A8F3-42DB-B4F8-654AC2284C89

available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Jonathan P Butler 42D499D0EF194E4...	By:
Print Name JP Butler	Print Name: Elsa M. Jimenez
Print Title Vice-President	Print Title: Director of Health Services
Date: 7/2/2025 | 8:00 AM PDT	Date:

Docusign Envelope ID: 7221372C-A8F3-42DB-B4F8-654AC2284C89

Cost Reimbursement Invoice Form
COUNTY OF MONTEREY, Behavioral Health Bureau

Contractor :	Front St., Inc.
Address Line 1	2115 7th Avenue
Address Line 2	Santa Cruz, CA 95062
Tel. No.:	831-420-0120
Fax No.:	
Contract Term:	FY 2025-26

Invoice Number :

County PO No.:

Invoice Period :

Final Invoice : (Check if Yes)

FUNDED PROGRAM:

AVATAR Program, Mode and Service Function Code

Financial Eligibility (Admision Criteria)

Unduplicated Number of Clients Served:

Identify Program

50%

Service Description	Mode of Service	SFC	Procedure Code	Units of Service (UOS) Delivered to Date	Total UOS Delivered as of Last Period	UOS Delivered this Period	SMA Rate per Unit	Amount of UOS at SMA Rate or Cash Flow Advance (CFA)	Dollar Amount Requested this Period (lower of Net Cost or SMA/CFA)	Total Dollar Amount Requested last Period	Dollar Amount Requested Year-to-Date	Estimated FFP	AVATAR System	Variance
											$ -	$ -		$ -
										$ -	$ -	$ -		$ -
											$ -			
TOTALS								$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL FUNDED PROGRAM MAXIMUM LIABILITY											$ -			
REMAINING AMOUNT											$ -			

Description	Provisional Rates	Cash Flow Advances	Total BUDGET	Total Dollar Amount Requested last Period	Gross Expenses this Period	Dollar Amount Requested Year-to-Date	Remaining Amout in the Budget
TOTAL ALLOWABLE PROGRAM EXPENDITURES	$ -			$ -		$ -	$ -
Less Other Revenues	$ -	$ -		$ -	$ -	$ -	$ -
Net Cost	$ -		$ -	$ -	$ -	$ -	$ -
Net Cost Due from Monterey County			$ -	$ -	$ -	$ -	$ -
Amount of UOS at SMA Rate					$ -		
Due from Monterey County - lower of Net Cost or SMA/CFA					$ -		
Federal Financial Participation (FFP) Revenue	$ -			$ -		$ -	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

Authorized Signatory _____ Date _____

Docusign Envelope ID: 7221372C-A8F3-42DB-B4F8-654AC2284C89

EXHIBIT H

Vendor Name

BUDGET AND EXPENDITURE REPORT

For Monterey County - Behavioral Health

PROGRAM:

	Actual FY 2022-23	Estimated FY 2023-24	Requested FY 2024-25
A. PROGRAM REVENUES			
Requested Monterey County Funds			
Other Program Revenues			
TOTAL PROGRAM REVENUES (equals Allowable Program Expenditures)	-	-	--

B. ALLOWABLE PROGRAM EXPENDITURES - Allowable Expenditures for the services provided in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories listed below.

1	**Program Expenditures**			
2	Salaries and wages			
3	Payroll taxes			
4	Employee benefits			
5	Workers Compensation			
6	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			
7	Temporary Staffing			
8	Flexible Client Spending (please provide supporting documents)			--
9	Client Transportation Costs and staff mileage			
10	Employee Travel and Conference			--
11	Staff Training			--
12	Communication Costs			--
13	Utilities			--
14	Cleaning and Janitorial			--
15	Insurance and Indemnity			--
16	Maintenance and Repairs - Buildings			--
17	Maintenance and Repairs - Equipment			--
18	Printing and Publications			--
19	Memberships, Subscriptions and Dues			--
20	Office Supplies			--
21	Postage and Mailing			--
22	Legal Services (when required for the administration of the County Programs)			--
23	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			--

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		Actual FY 2022-23	Estimated FY 2023-24	Requested FY 2024-25
24	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County)			--
25	Rent and Leases - building and improvements			--
26	Rent and Leases - equipment			--
27	Taxes and assessments			--
28	Interest in Bonds			--
29	Interest in Other Long-term debts			--
30	Other interest and finance charges			--
31	Advertising (for recruitment of program personnel, procurement of services and disposal of surplus assets)			--
32	Miscellaneous (please provide details)			--
33	**Total Program Expenditures**	$-	$-	**$-**
34	Administrative Expenditures - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided. The allocation base must be auditable and supported by information kept by the CONTRACTOR.			
35	Salaries and wages (please include personnel and contract administration)			--
36	Payroll taxes			--
37	Employee benefits			--
38	Workers Compensation			--
39	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			--
40	Transportation, Travel, Training and Conferences			--
41	Data Processing (Computers & Technology)			--
42	Utilities (Telephone & Communications)			--
43	Cleaning and Janitorial			--
44	Insurance and Indemnity			--
45	Maintenance and Repairs - Buildings			--
46	Maintenance and Repairs - Equipment			--
47	Memberships, Subscriptions and Dues			--
48	Office Supplies			--
49	Postage and Mailing			--
50	Legal Services (when required for the administration of the County Programs)			--
51	Other Professional and Specialized Services (allowable with prior specific approval from Monterey County)			--
52	Rent and Leases - building and improvements			--
53	Rent and Leases - equipment			--
54	Taxes and assessments			--
55	Interest in Bonds			--
56	Interest in Other Long-term debts			--
57	Other interest and finance charges			--

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		Actual FY 2022-23	Estimated FY 2023-24	Requested FY 2024-25
58	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			--
59	Miscellaneous (please provide details)			--
60	**Total Administrative Expenditures**	-	-	--
61	**Depreciation Expense**			--
62	**OTHERS - must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.**			
63	**Total Allowable Program Expenditures**	-	-	--

We hereby certify to the best of my knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature **Date** **Finance Director's Signature** **Date**

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I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

   1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

   2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

   3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section IV (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

   1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Not withstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section IV (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

   2. Deducted from future claims over a period not to exceed six (6) months;

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3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

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County of Monterey

Board Report

Legistar File Number: 25-603

Item No.48

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/22/2025

Current Status: Department of Social Services - Consent

Version: 1

Matter Type: General Agenda Item

Receive and accept the Fiscal Year 2023-24 Annual Report from First 5 Monterey County (a.k.a. Monterey County Children and Families Commission).

RECOMMENDATION:
Receive and accept the Fiscal Year 2023-24 Annual Report from First 5 Monterey County (a.k.a. Monterey County Children and Families Commission).

SUMMARY/DISCUSSION:
Each year, First 5 Monterey County (F5MC) produces an Annual Report to the Board of Supervisors to provide policy-makers, service providers, and community members with a brief summary of accomplishments. This Annual Report to the Board also fulfills the statutory requirement of Ordinance Number 05034 to report to the Board of Supervisors on an annual basis.

F5MC was established by the Monterey County Board of Supervisors on December 8, 1998, as a result of California voters passing Proposition 10 on November 3, 1998. Proposition 10, The California Children and Families First Act, levied a 50-cent per pack tax on tobacco products. The monies, collected statewide, are for programs and services benefiting children from the prenatal stage through age 5, their families, and their caregivers. The F5MC Commission is charged with ensuring that Proposition 10 revenues are directed toward programs that will make a difference in the lives of young children living in Monterey County. Priorities for funding F5MC projects are decided locally with direct input from community organizations and community members. Research shows that community investments in programs serving families with young children yield the greatest financial and social benefits.

The Board of Supervisors Annual Report serves to demonstrate the impact on 9,150 children, parents/caregivers, and childcare providers served by F5MC's funded agencies and events. During Fiscal Year 2023-2024, F5MC invested more than $5.4 million to enhance the lives of young children and their families throughout Monterey County.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
In Fiscal Year 2023-24 First 5 Monterey County collaborated with and funded a variety of county and community-based agencies and organizations listed in the full report. Commissioners include representatives from the Monterey County Board of Supervisors, Monterey County Health Department, Monterey County Department of Social Services and four community representatives.

Community representatives include individuals with a background in immigration law; working with indigenous communities; business; early childhood and K-12 education; and support to children and families mental health who have experienced exposure to trauma, alcohol, drugs and toxic stress.
FINANCING:
There are no costs associated with this report.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
This report from First 5 Monterey County supports the Health & Human Services Strategic Initiative by improving health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Make a check to the related Board of Supervisors Strategic Initiatives

___ Economic Development
___ Administration
_X_ Health & Human Services
___ Infrastructure
___ Public Safety

Prepared by: Sandra Silva, Administrative Secretary-Confidential, Ext. 4430

Approved by: Roderick Franks, Director of Social Services, x4430

Attachments:

- F5MC FY 2023-2024 Report to the Board of Supervisors in PowerPoint Presentation Form
- F5MC FY 2023-2024 Community Annual Report

County of Monterey

Board Report

Legistar File Number: 25-603

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/22/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** General Agenda Item

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_X_Health & Human Services
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___ Public Safety

Prepared by: Sandra Silva, Administrative Secretary-Confidential, Ext. 4430

Approved by: Roderick Franks, Director of Social Services, x4430

Attachments:
F5MC FY 2023-2024 Report to the Board of Supervisors in PowerPoint Presentation Form
F5MC FY 2023-2024 Community Annual Report

Investing in Our Future:

First 5 Monterey County Annual Report FY 2023-2024

Report to the County Board of Supervisors

Our Vision: The wellbeing of all young children and families is nurtured by responsive services, just and equitable systems, and safe and welcoming environments.

Our Mission: First 5 Monterey County enriches the lives of children, ages prenatal through 5, and their families by elevating early childhood as a priority, strengthening connections, and advancing quality within a whole system of care and support

FIRST 5 MONTEREY COUNTY

Strategic Plan Framework

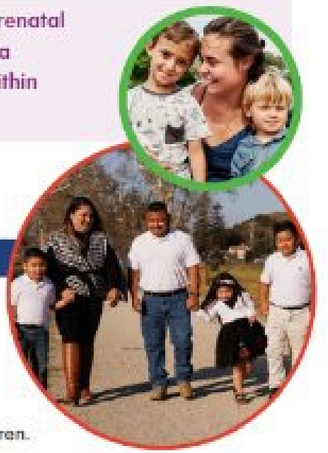
JULY 2023 – JUNE 2029

VISION

The wellbeing of all young children and families is nurtured by responsive services, just and equitable systems, and safe and welcoming environments.

MISSION

First 5 Monterey County enriches the lives of children, ages prenatal through 5, and their families by elevating early childhood as a priority, strengthening connections, and advancing quality within a whole system of care and support.



VALUES Equity • Trust • Healing • Connection • Prevention

STRATEGIC PRIORITIES

Ensure young children and families furthest from opportunity and most impacted by systems' inequities are at the center of F5MC's work

- Elevate early childhood as a priority and advocate for what families need to thrive
- Strengthen connections and enhance family access to integrated and collaborative services
- Build capacity with service providers, administrators and families as they support young children

Learn together with partners and community to continuously improve the programs and systems serving families

IMPACT AREAS

CHILDREN are healthy, well-cared for, and reach their unique potential.

FAMILIES/CAREGIVERS are connected, respected, and supported in caring for their children.

SERVICES for families are high-quality, accessible, and responsive to families' needs.

The whole **SYSTEM** serving young children and families is cohesive, navigable, and equitable.

COMMUNITY, CULTURE, AND POLICY honors and supports all families in the important task of raising children.

CORE ROLES

- Early childhood development **Champion** and advocate
- Whole child, whole family, whole **Systems Connector**
- Healing-focused, relationship-based, quality-driven **Capacity Builder**

How We Make A Difference: Our Core Roles

★ **Early Childhood Champion and Advocate**

★ **Systems Connector**

★ **Capacity Builder**

F5MC 2023-2029 Strategic Plan Outcomes

Children receive early and timely developmental and healthcare supports and services

Children have supportive, healthy relationships

Children experience diverse, high-quality early learning opportunities, including play, nature, art, music, and social interactions

FIRST 5 MONTEREY COUNTY

Total People Served In Fiscal Year 2023-2024

Total children, caregivers and practitioners served

9,150

4,976
Total children 0-5

21
Total children 6+

2,873
Total primary caregivers

1,280
Total practitioners, providers and educators

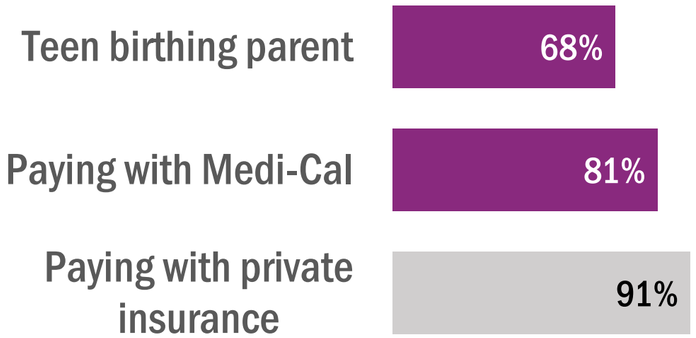
FIRST 5 MONTEREY COUNTY

Countywide Data:

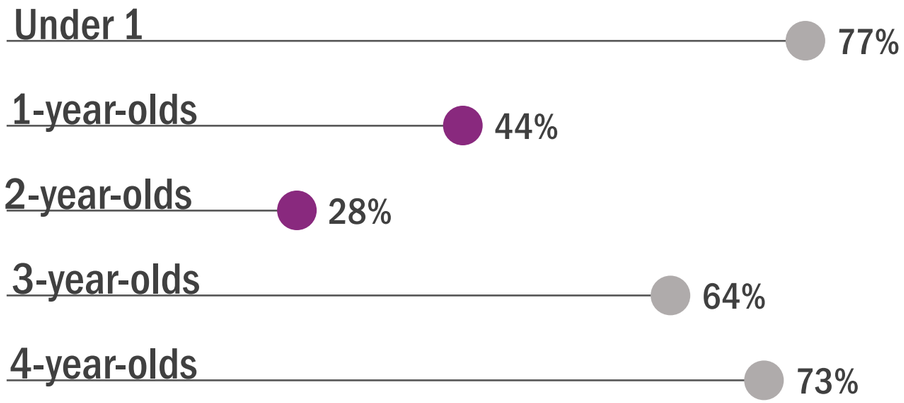
The State of Early Childhood in Monterey County

Countywide Data

Access to adequate prenatal care (2021)[1]



Preventative health care utilization rates among children with Medi-Cal (2021)[2]

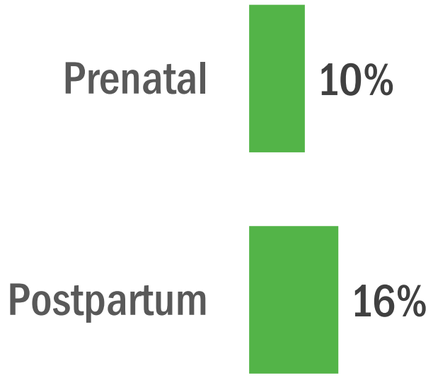


Percentage of children with Medi-Cal receiving a screening by their provider by age three[3]

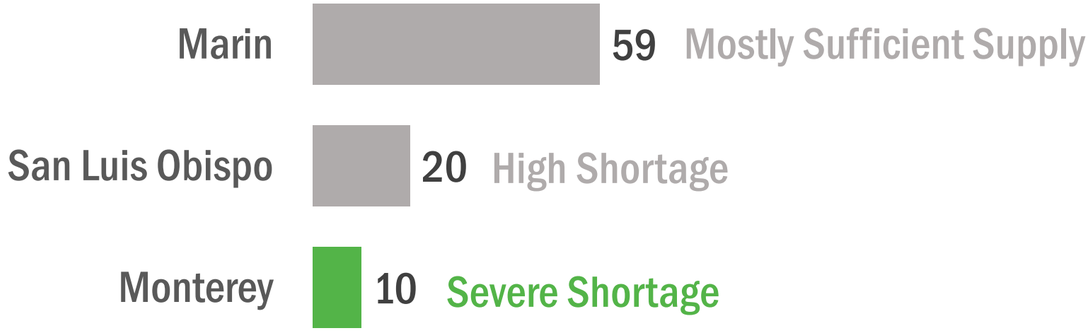
Percentage of the 0–3 population served by Early Start (Monterey + Santa Cruz Counties)[4]

Countywide Data

Estimated percentage of birthing parents with depressive symptoms (MIHA survey; 2019-2021)[5]



Number of child and adolescent psychiatrists per 100k children (2022)[7]

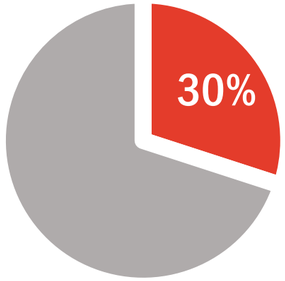


Medi-Cal managed care providers will be required to report rates of prenatal and postpartum depression screening starting in 2025[6]

742 Providers have participated in one or more years of IFECMH since inception (as of June 2024)

Countywide Data

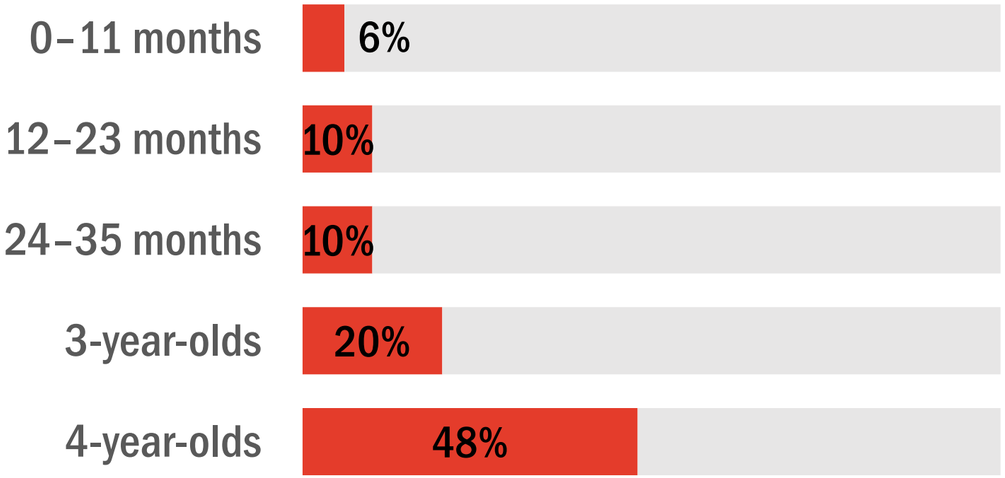
There were only enough licensed child care spaces for **26% of children** ages 0-4 as of 2022.[8]

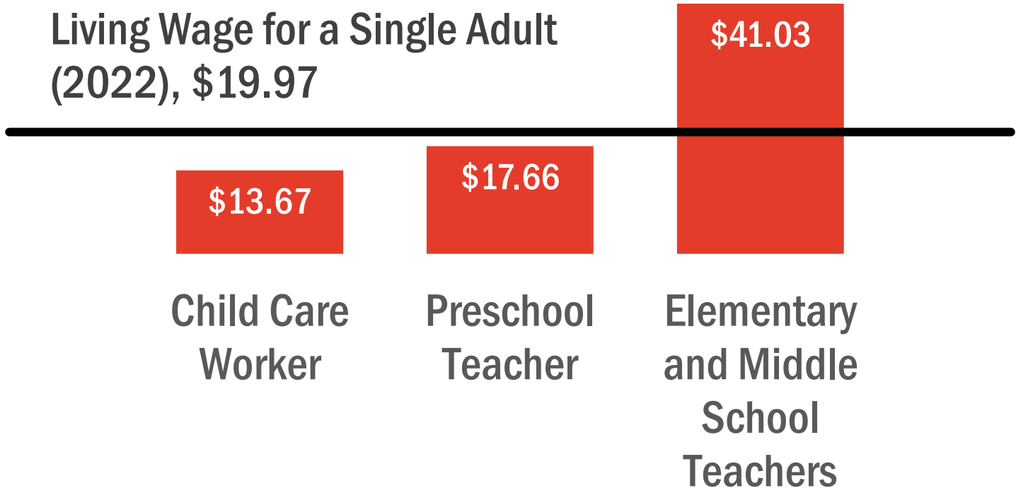


An estimated **30% of parents** with children under three and 32% with children ages 3-5 used Friend, Family, Neighbor child care in 2022.[10]

There were not enough subsidized child care spaces to meet the need as of 2019.[9]

Percentage of eligible children enrolled in subsidized child care





Median Wage in **California** (2022)[11]

Strengthen connections and enhance family access to integrated and collaborative Services

FIRST 5 MONTEREY COUNTY

Strategic Plan Framework

JULY 2023 – JUNE 2029

VISION

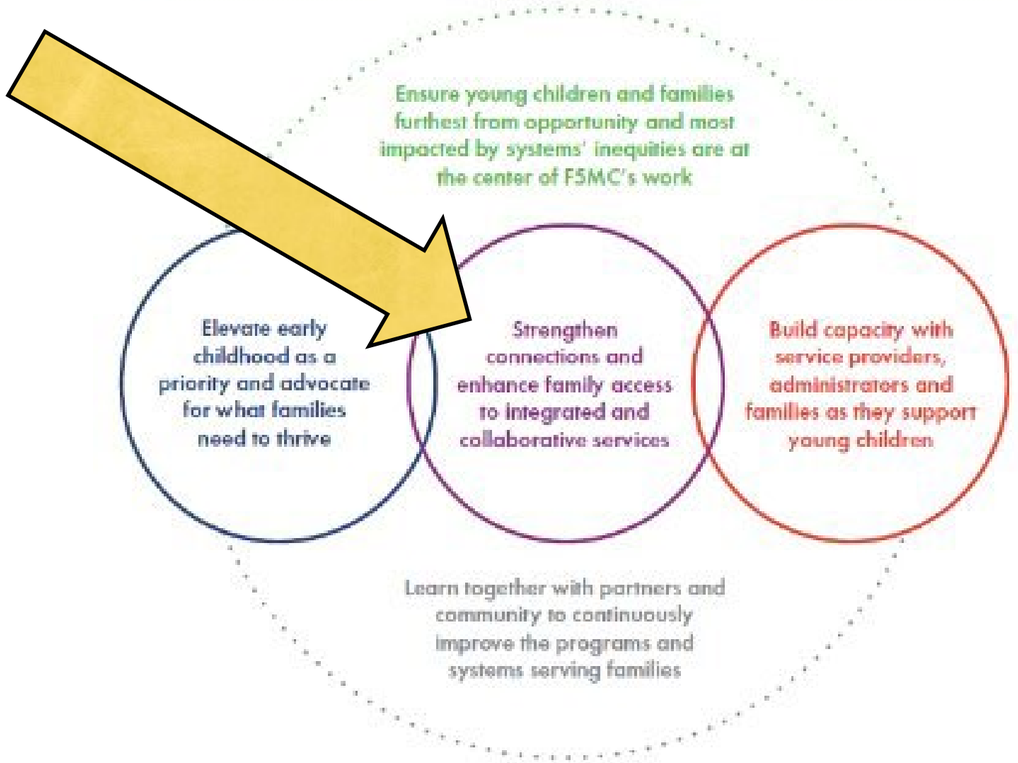
The wellbeing of all young children and families is nurtured by responsive services, just and equitable systems, and safe and welcoming environments.

MISSION

First 5 Monterey County enriches the lives of children, ages prenatal through 5, and their families by elevating early childhood as a priority, strengthening connections, and advancing quality within a whole system of care and support.

VALUES Equity • Trust • Healing • Connection • Prevention

STRATEGIC PRIORITIES



IMPACT AREAS

CHILDREN are healthy, well-cared for, and reach their unique potential.

FAMILIES/CAREGIVERS are connected, respected, and supported in caring for their children.

SERVICES for families are high-quality, accessible, and responsive to families' needs.

The whole **SYSTEM** serving young children and families is cohesive, navigable, and equitable.

COMMUNITY, CULTURE, AND POLICY honors and supports all families in the important task of raising children.

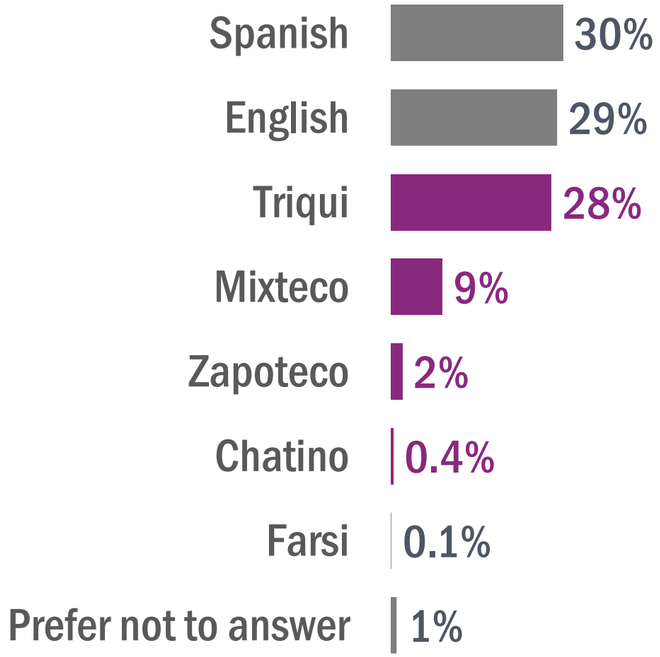
CORE ROLES

- Early childhood development **Champion** and advocate
- Whole child, whole family, whole **Systems Connector**
- Healing-focused, relationship-based, quality-driven **Capacity Builder**

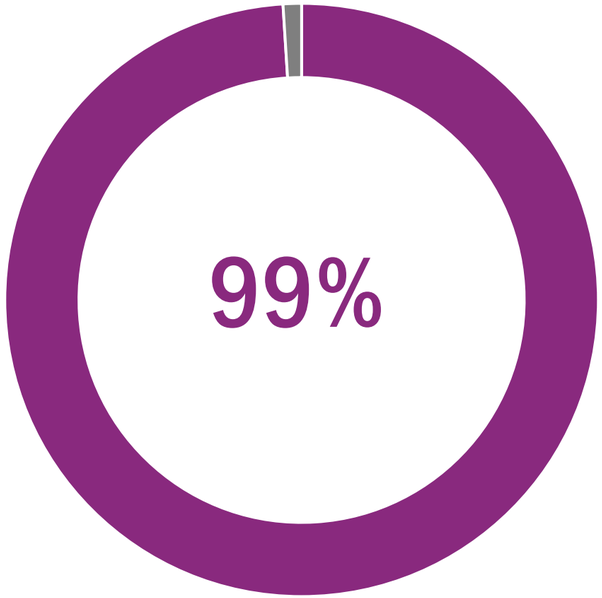
Strengthen Connections: Outcomes

Direct Services to Families: Centering Families Most Impacted by System Inequities

Of children ages 0–5 served by Strong Start/Home Visiting partners, 40% speak an Indigenous language at home and 30% speak Spanish at home.

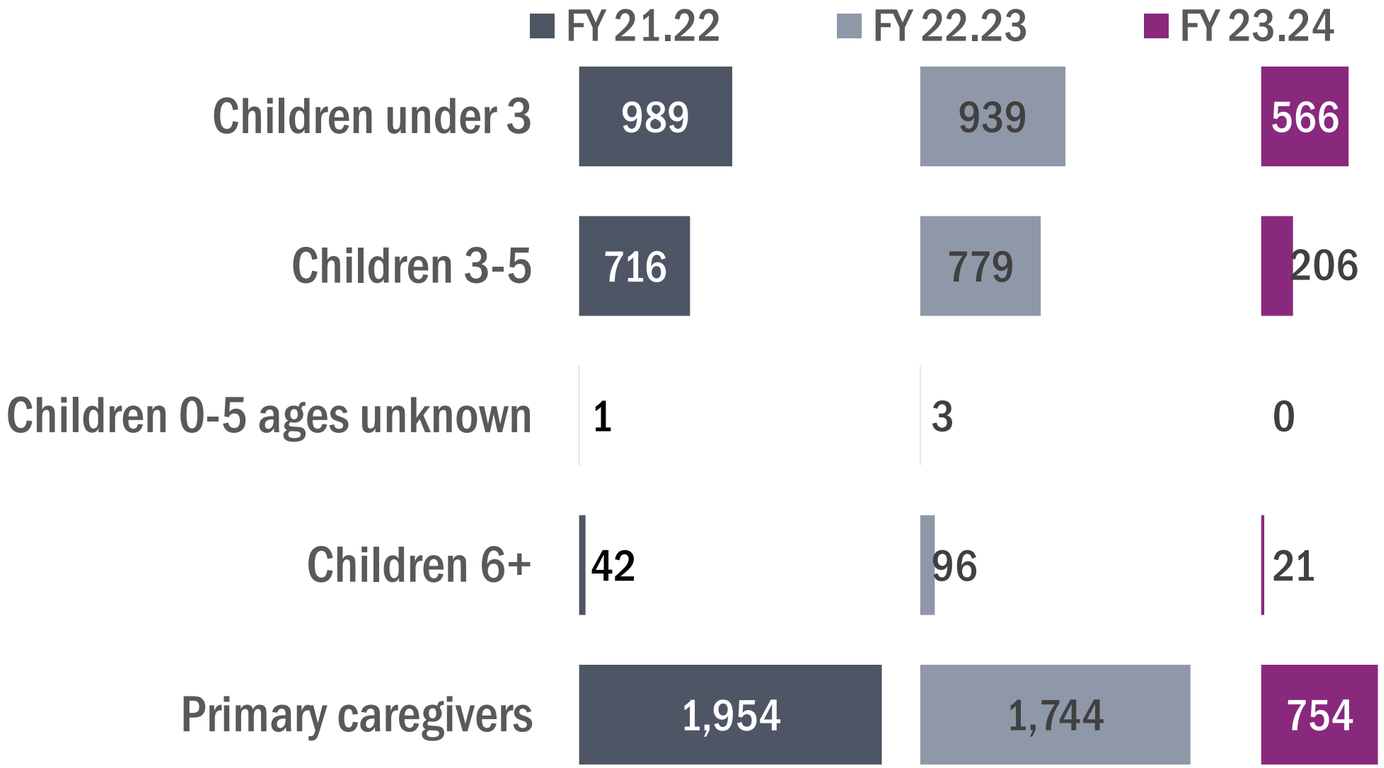


Nearly all children served by Strong Start Partners were enrolled in Medi-Cal



Strengthen Connections: Outcomes

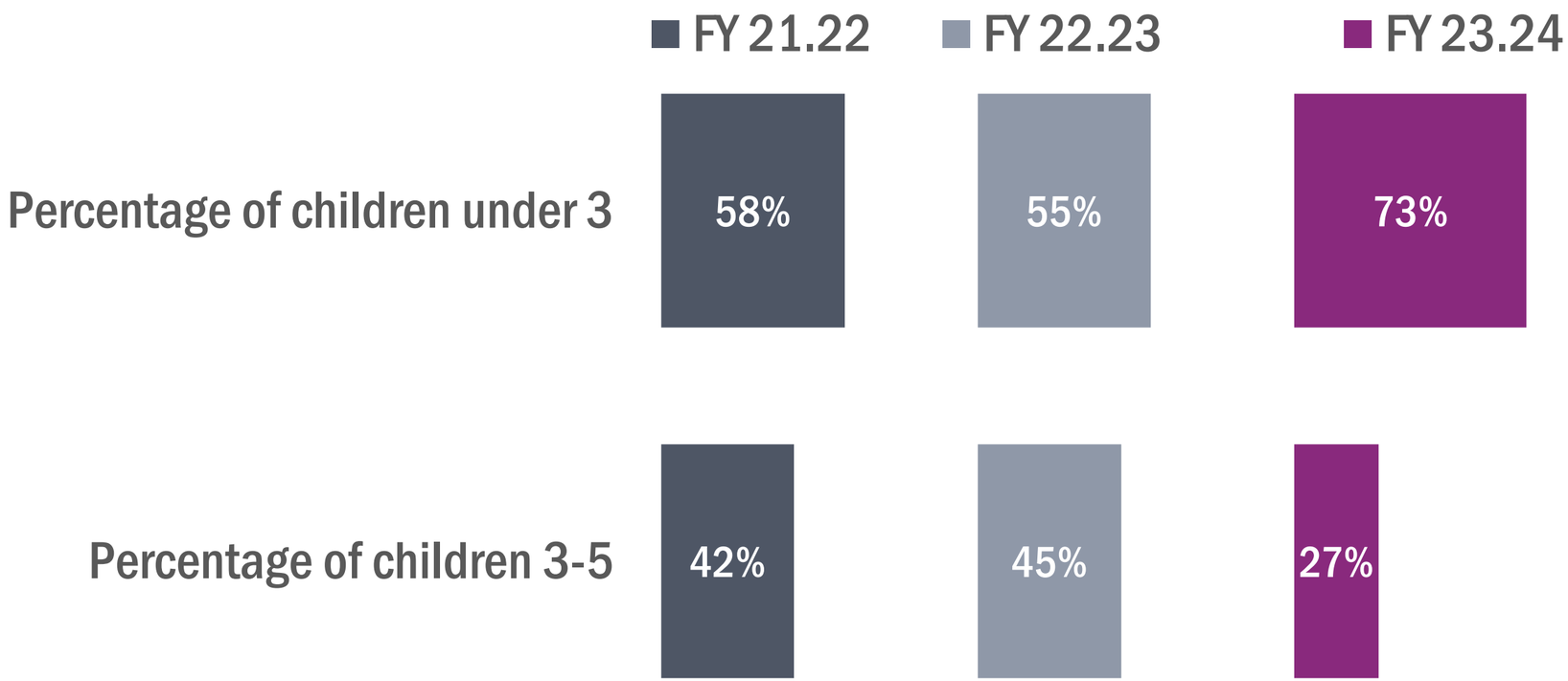
Direct Services for Families: Fiscal Year Comparison*



*Decline in funding for direct services occurred in FY23/24

Strengthen Connections: Outcomes

Direct Services to Families: Prioritizing Children Under Three



Strengthen Connections: Outcomes

Direct Services for Families (all)

754 Parents served

140 Parents received a depression screening

First 5 Monterey Services: Strengthen connections and enhance family access to integrated and collaborative Services

Intake Meeting

Father and two-year-old meet with Care Coordinator.

Developmental Screening

Father and Care Coordinator complete the ASQ-3, ASQ-SE, and MCHAT together over the course of multiple meetings.

Family Context and Support

Father and Care Coordinator discuss his concerns and family context over multiple meetings.

Family Goals

Connect child with Behavioral Health Services
Access child's medical records and connect to appropriate services based on records

Referrals

Behavioral Health
Early Intervention (2)
Mental Health Services for dad (2)

Team Collaboration

Care coordinator discusses family context and concerns during multiple team meetings and multi-disciplinary review meetings.

F5MC Strengthen Connections to enhance family access to services: The Path of Care Coordination

Intake Meeting

Father and two-year-old meet with Care Coordinator.

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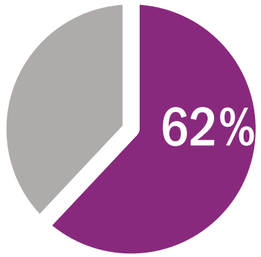
Early Intervention (2)
Mental Health Services for dad (2)

Team Collaboration

Care coordinator discusses family context and concerns during multiple team meetings and multi-disciplinary review meetings.

Strengthen Connections: Outcomes

Developmental Screening and Connection to Services



of children received one or more developmental screenings

Care Coordination

Families served by care coordination 552

Goals created with families 281

Care coordination referrals 227

Strengthen Connections: Outcomes

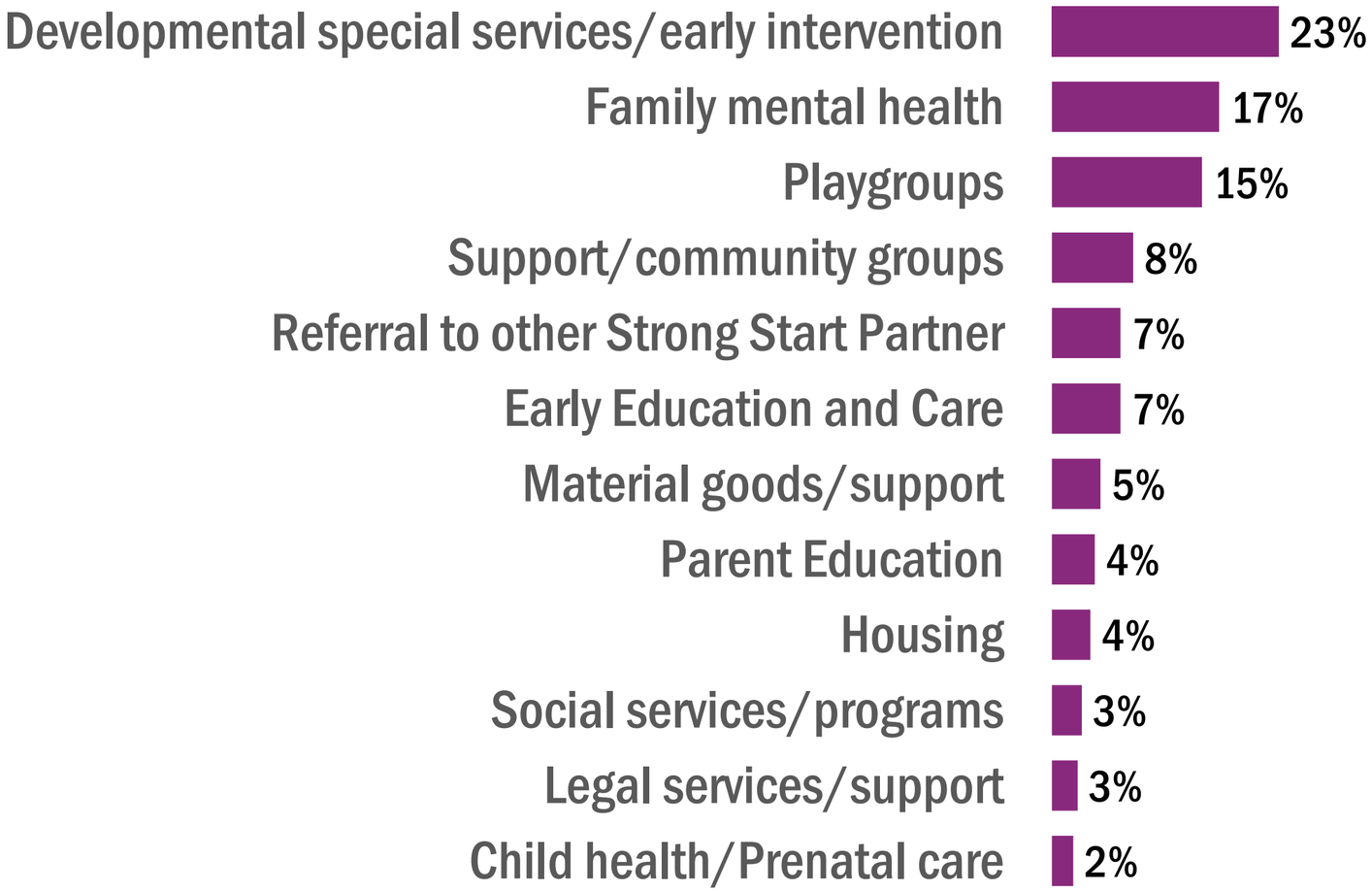
Care Coordination

281 Goals created with families

- Child development and early intervention
- Mental and behavioral health resources
- Parent education and learning
- Community and financial resources
- Housing
- Food and nutrition support

Strengthen Connections: Outcomes

227 Referrals made in the context of Care Coordination / family goals



Complexity of Care Coordination: A Providers Perspective supporting a family

"I am really proud of dad. He's a young dad—26 or 27—with his first child. Even though he doesn't know everything around the services he's figuring it out. He's really trying to get the services his child needs and deserves. It's really lovely to see how connected they [dad and child] are. The first few times I met the child when he was living with mom, he seemed very anxious overall. The last two times I met with him, he's been able to regulate more, to interact more with us. He seemed more relaxed. He has more routines, in a stable household. Dad has accomplished so much since we first met."

Strengthen Connections: Outcomes

Parents as Teachers Home Visiting

229 Parents served

262 Children served

Partners met all quality metrics for home visiting, including the following:

85% of eligible parents received a depression screening
(64% within 90 days of enrollment)

93% of parents received connections to one or more community resource

Strengthen Connections: Outcomes

Parents as Teachers Home Visiting

Overall, parents increased their positive parenting behaviors in all domains throughout their participation in Home Visiting. Parents demonstrated the largest increase in Teaching behaviors.

Measured with the "Parenting Interactions with Children: Checklist of Observations Linked to Outcomes" (PICCOLO) Tool.

FIRST 5 MONTEREY COUNTY

Elevate Early Childhood as a priority and advocate for what families need to thrive

FIRST 5 MONTEREY COUNTY

Strategic Plan Framework

JULY 2023 – JUNE 2029

VISION

The wellbeing of all young children and families is nurtured by responsive services, just and equitable systems, and safe and welcoming environments.

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VALUES Equity • Trust • Healing • Connection • Prevention

STRATEGIC PRIORITIES

Ensure young children and families furthest from opportunity and most impacted by systems' inequities are at the center of F5MC's work

- Elevate early childhood as a priority and advocate for what families need to thrive
- Strengthen connections and enhance family access to integrated and collaborative services
- Build capacity with service providers, administrators and families as they support young children

Learn together with partners and community to continuously improve the programs and systems serving families

IMPACT AREAS

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Elevate Early Childhood: Outcomes

Central Coast Early Childhood Advocacy Network

Policy Learning Community: Created to build parents' understanding of the legislative process.

42. Parent leaders participated in the Policy Learning Community cohort.

21 Parent leaders participated in visits with legislators.

5 Policy areas advocated for by F5MC were enacted into legislation

Elevate Early Childhood: Outcomes

Central Coast Early Childhood Advocacy Network

Activities FY 23.24

Parent Power Summit: Connects parent leaders and advocates, sparks conversations and provides public communication training. FY 23.24 focused on improving child care in the region through collective action and advocacy.

110 advocates participated in the Parent Power Summit

17 parents co-facilitated the Summit

Elevate Early Childhood: Outcomes

Key Highlights from the FY 23.24 Parent Power Summit Evaluation:

95% strengthened their relationship with other parents

.

99% increased their confidence to advocate for young children and families

99% felt inspired to take at least one new action in support of childcare

FIRST 5 MONTEREY COUNTY

Build capacity with service providers, administrators and families as they support young children

FIRST 5 MONTEREY COUNTY

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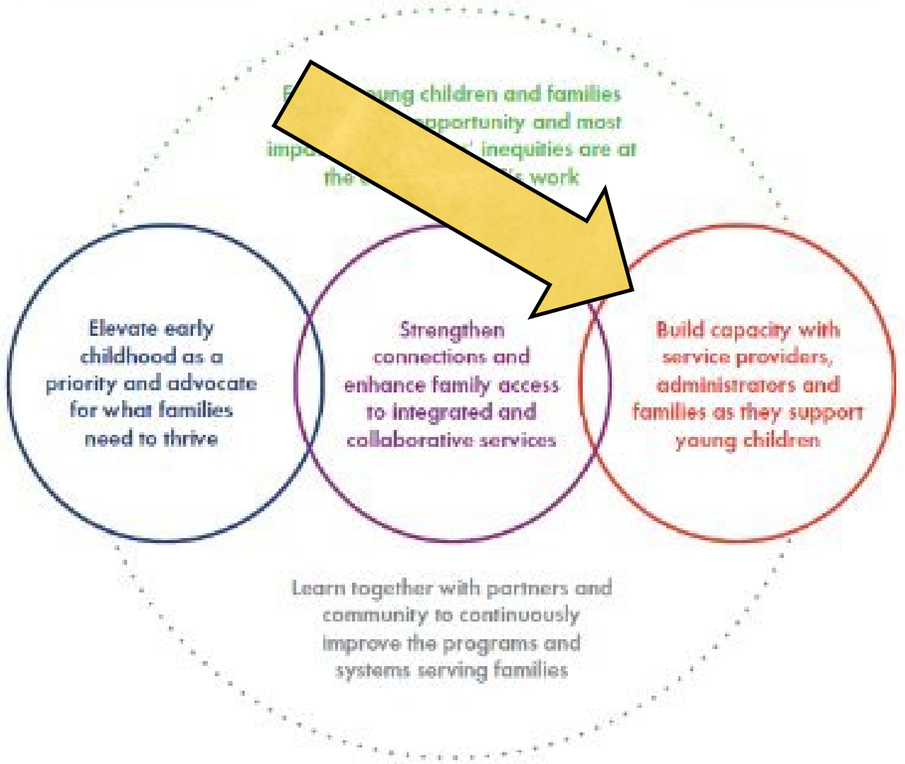

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Build Capacity: Outcomes

132 Practitioners participated in the 23/24 Infant Family Early Childhood Mental Health (IFECMH) series

In its 13th year of implementation, IFECMH 23/24 brought together participants from a range of sectors and organization types.

- Early childhood education
- Family support
- Behavioral health
- Early intervention
- Medical / public health
- Social services
- Legal services

Build Capacity: Outcomes

FY 23.24 IFECMH Offerings

24 Participated in the Transformational Leadership Series

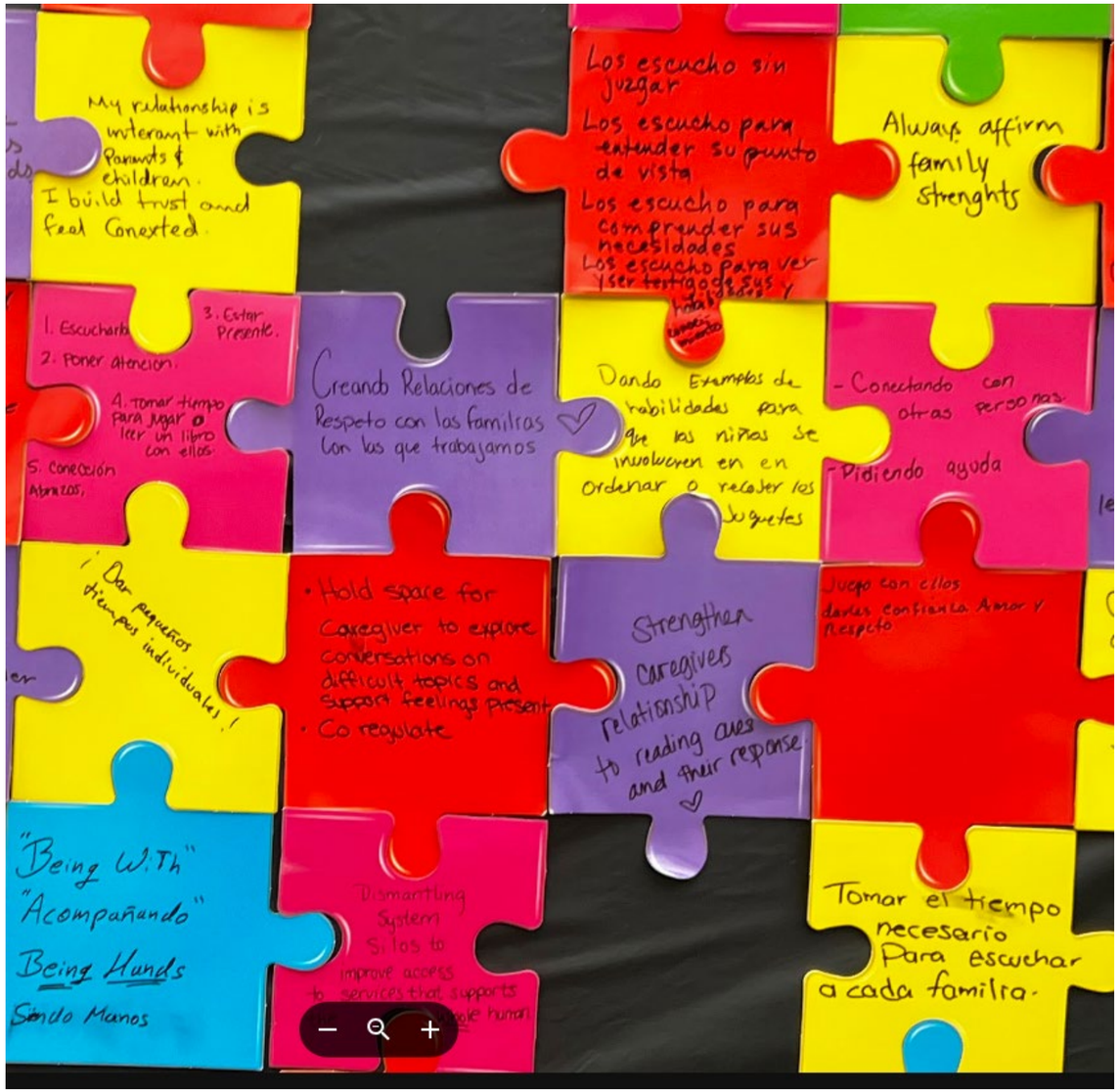
63 Participated in the Attachment and Parenting IFECMH series

62 Participated in the IFECMH Spanish Foundational Series

15 Participated in the Capstone series/served as instructional assistants

24 Participated in the Home Visitor Learning Group

15 Participated in the Care Coordinator Learning Group



Build Capacity: Outcomes

62 Participated in the IFECMH Spanish Foundational Series

100% of survey participants said the series increased their understanding of:

- the role of self-reflection for their work
- the impact of trauma on physical, emotional and mental well being
- how to support the development of resilience
- how to discuss families' concerns being responsive to cultural context

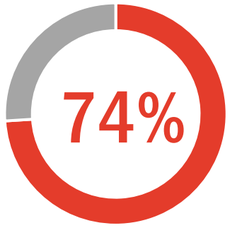
Build Capacity: Outcomes

The importance of taking the Foundational Series in Spanish

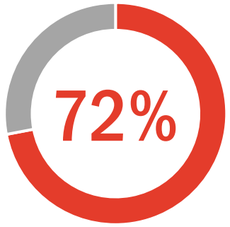
> “I was able to explain to a single father that I’m working with about attachment in Spanish, something I had struggled with before.”

Build Capacity: Outcomes

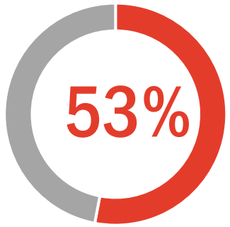
In FY 23.24 IFECMH training series participants formed relationships that benefited their work with families.



Met new colleagues and partners in the community



Learned new information from other IFECMH participants and applied it directly to their work



Learned about new resources from other IFECMH participants and made a referral for a family as a result

Build Capacity: IFECMH Participant Quotes

“I think the most important thing I can share is the confidence I have been gaining through the trainings, both because of the information I get, but most **important the ability to be reflective and embracing what parents bring with them**: the concerns, fears, apprehensions, misinformation about children and parenting.

As I spoke with a **family fearing their child being evaluated**, they had the opportunity to **explore their understanding about what this means and how that information would be used to better support their child’s learning process and his social-emotional development**.”

Build Capacity: Outcomes

63 Practitioners participated in the Attachment and Parenting IFECMH series

100% of survey participants said the series increased their understanding of:

- the implications of adolescent development for parenting young children
- how to develop services that are teen friendly
- the role of fathers in young children's development
- how to develop services that are father friendly

Build Capacity IFECMH Participant Quotes

Self Awareness, slowing down and relationships

"I am very motivated to integrate the training and awareness into my everyday practice and be mindful of the need to really listen to families as they let us in and share. I feel that this training helped me reflect on ways I already am doing that and consider how I can try to find new ways to continue that practice and be sure to be respectful and inclusive."

Build Capacity: IFECMH Participant Quotes

Self Awareness and Parallel Process

"I try to be more aware of my own biases and cultural background and make myself slow down before making a judgment. I have also been very open with my staff about this journey and shared specific moments of difficulty that I am working through."

"I am intentionally sharing moments of vulnerability and struggle with my staff, which is both scary but very effective. I have received feedback from my staff that they feel seen and feel comfortable sharing struggles they are facing."

Build Capacity IFECMH Participant Quotes

Self Awareness, slowing down and relationships

"There are multiple examples of ways we simply are with staff, each other and families that come from this training . . . If we can support parents to slow down and co-regulate with them, then they will know what this feels like and in turn, do this for their children."

Build Capacity

Activities FY 23.24

Family, Friend, or Neighbor Provider Cafes: Sessions held regularly to promote collaboration, peer to peer engagement and self-efficacy. The curriculum highlighted social emotional well-being and nurturing adult-child interactions.

62 Providers participated in one of four cohorts

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TOGETHER

We Raise Monterey County

Early childhood development lays the groundwork for a child's future success. From birth to age five, children grow and learn very quickly. By the time they are five, a child's brain is almost as big as an adult brain. Research shows that high-quality early childhood education provides up to a 14% return on investment. Investing in young children helps families today and builds a better future for everyone. It helps create a stronger and fairer society, and it's something we all play a part in.

FIRST 5 MONTEREY COUNTY

Community Annual Report

2023–2024

OUR MISSION

First 5 Monterey County enriches the lives of children, ages prenatal through 5, and their families by elevating early childhood as a priority, strengthening connections and advancing quality within a whole system of care and support.

OUR VISION

The wellbeing of all young children and families is nurtured by responsive services, just and equitable systems, and safe and welcoming environments.

OUR VALUES

Equity | Trust | Healing | Connection | Prevention

TOGETHER
We Raise
Monterey County

Since 1999, First 5 Monterey County (F5MC) has supported young children, families, and early childhood educators. First 5 Monterey County launched a new strategic plan for 2023–2029. This framework further reinforces F5MC's commitment to prioritizing families with complex needs who have historically been excluded from decision-making and highlights the need for services that address race, equity, diversity and inclusion.

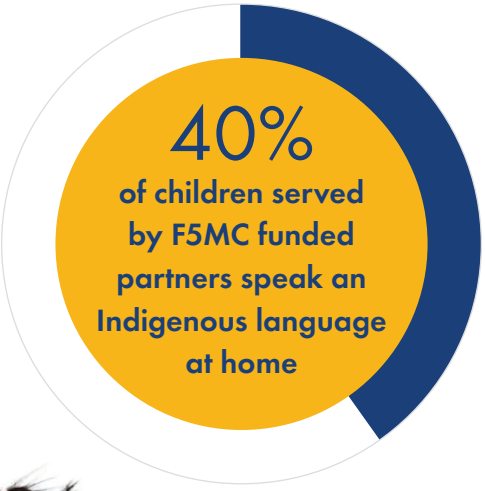
F5MC has been dedicated to supporting children prenatal to age five and their families to achieve these outcomes:

- Children receive services that contribute to their overall health and safety
- Children have supportive, healthy relationships
- Children are at the center of policies and legislation

OUR PARTNERS

With help from F5MC and partners, children have received:

- **Care they need to grow up healthy**
- **Parents have gained confidence and new skills**
- **Educators have learned how to provide better learning experiences for young children**



AT-A-GLANCE

FIRST 5 MONTEREY COUNTY

Community Annual Report
2023–2024

9,150 children, parents, caregivers, providers and educators supported during FY 2023–2024

Children receive services that contribute to their overall health and safety

2,089 **Kits for New Parents** distributed

1,547 children and parents received **personalized connections to services**, for example, speech therapy, mental health therapy, etc.

481 children were **screened to improve children's health** and prevent learning delays

227 families were provided with **intensive supports around prevention and intervention services** to meet their personalized goals

204 **children and parents received emergency supplies** including diapers, clothes, cribs, and other supplies

The brain grows the most between ages 0–3, so the earlier a child gets support, the better it is for them and their family.

73% of children served by F5MC Strong Start Partnership and Parents as Teachers Home Visiting are under the age of three.

SPOTLIGHT

Strong Start Partnership

In 2024, the Strong Start Partnership was launched to provide coordinated care for families with children from the prenatal stage through age five. This unique collaboration brings together organizations and families to help them reach their individual goals.

At the heart of the Strong Start Partnership are Care Coordinators, who work closely with families to build trust and strong relationships. Once trust is established, Care Coordinators and families work together to identify strengths, needs, and goals. Together, they create personalized plans that include parenting information, goal-setting, and connections to additional services.

The Strong Start Partnership is more than a network of support—they become part of a family's team, celebrating families' successes and walking together on their journey. Families working with the partnership feel valued and supported every step of the way.

Partner organizations are led by GoKids and the Door To Hope Collaboratives which includes the Child Advocate Program of the Monterey County Probation Department and Centro Binancional para el Desarrollo Indígena Oaxaqueño. Together, they are making a difference in the lives of Monterey County families.

Children have supportive, healthy relationships

262 children ages 0–5 were supported with **Parents as Teachers Home Visitors** for their positive development

200 early childhood Family, Friend and Neighbor providers **participated in workshops** that focused on connection and collaboration

132 professionals participated in the **Mental Health Training** series from a range of sectors including, legal services, medical/public health, and social services

62 early childhood staff members were supported to **strengthen connections and build professional development** through Quality Matters

99% of children ages 0–5 served by First 5 Monterey County-funded programs are enrolled in Medi-Cal, helping to connect them with vital community services and opportunities for a better well-being.

SPOTLIGHT

Mental Health

Experiences in early childhood, from pregnancy through age five, shape a person's brain, health, and well-being for life. Working with young children and their families requires special knowledge. First 5 Monterey County's Mental Health training series focuses on supporting babies, toddlers, and their families. This training brings together ideas from psychology and social work, focusing on cultural and racial diversity, inclusion, and healing-based practices for professionals in Monterey County.

The Mental Health trainings help local professionals gain skills specific to early childhood mental health. Participants focus on preventing and treating mental health challenges, strengthening relationships, and promoting inner strength in young children and their families. They also teach about the specific history and needs of Monterey County families. These trainings bring together people from different fields to learn and collaborate, creating a network of support for young children and families.

Surveys show high satisfaction with the mental health training. Participants apply what they learn to their work, gain new resources, and form connections with colleagues. In FY 2023–24, 98% of participants used new skills in their work and 72% learned about new resources during the training.

"I am a person that did not finish college, and attending these trainings have helped me to learn a variety of different approaches to assist our families...

I learned about how to listen, how to explore, and be curious about a situation. I learned about how culture, racism, inequity, and socio-economic expectations have influenced our community. **I strongly believe I provide better service to the population I serve.**

– Mental Health Training Participant

Children are at the center of policies and legislation

690 **advocates** supported through workshops, information sharing, and meetings with legislators

183 parents trained on **advocacy skills**

117 attendees to focus groups that determined the direction for **statewide programming and funding opportunities** with particular attention on child care

>21 **advocates** were hosted by legislators for state and federal legislative visits

5 **policy areas advocated for by F5MC** were enacted into legislation, including expanding developmental screenings and additional support for navigating domestic violence and need for housing

First 5 Monterey County Financials

$4,210,957 Programs and Services

$787,486 Administration

$427,473 Evaluation

$5,425,916 Invested

First 5 Monterey County, also known as the Monterey County Children and Families Commission, was established in 1999 following the passage of Proposition 10, a 1998 statewide initiative. Proposition 10 adds a 50-cent tax to tobacco products, providing dedicated funding for programs supporting children from the prenatal stage through age 5 and their families. Funds are distributed to each county based on annual birth rates. First 5 Monterey County manages the funds locally as an independent public agency governed by a board of Commissioners.

Introduced: 8/27/2025

Current Status: Department of Social Services - Consent

Version: 1

Matter Type: BoS Resolution

Adopt a resolution to:
a. Authorize the application for and acceptance of the Transitional Housing Program (THP) Allocation Award Round 7 in the amount of $436,317 and the Housing Navigation and Maintenance Program (HNMP) Round 4 in the amount of $68,349 to be expended as of two years from the "effective date" of the fully executed Standard Agreement, to help young adults who are 18 to 24 years of age secure and maintain housing, with priority given to former foster or probation youth; and
b. Affirm that if THP funds or HNMP funds remain available for allocation after the deadline for submitting a signed Allocation Acceptance Form, and if eligible, the County will authorize acceptance of this additional allocation of funds up to the amount authorized by the Department but not to exceed $872,634 and $136,698 respectively; and
c. Authorize the Director or designee of Department of Social Services, to act on behalf of the County in connection with the THP and HNMP allocation/awards and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to participate in the THP and HNMP programs; and
d. Agree that the County shall be subject to the terms and conditions that are specified in the THP Round 7 and HNMP Round 4 Allocation Award documents and will use the funds in accordance with the Allocation Acceptance Form, award documents, amendments, requirements, or other applicable laws; and
e. Affirm that the County is authorized to accept either of the allocations independent of each other.

RECOMMENDATION:
It is recommended that the Board of Supervisors adopt a resolution to:
a. Authorize the application for and acceptance of the Transitional Housing Program (THP) Allocation Award Round 7 in the amount of $436,317 and the Housing Navigation and Maintenance Program (HNMP) Round 4 in the amount of $68,349 to be expended as of two years from the "effective date" of the fully executed Standard Agreement, to help young adults who are 18 to 24 years of age secure and maintain housing, with priority given to former foster or probation youth; and
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programs; and
d. Agree that the County shall be subject to the terms and conditions that are specified in the THP Round 7 and HNMP Round 4 Allocation Award documents and will use the funds in accordance with the Allocation Acceptance Form, award documents, amendments, requirements, or other applicable laws; and
e. Affirm that the County is authorized to accept either of the allocations independent of each other.
SUMMARY/DISCUSSION:
Pursuant to item 2240-103-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.8 (commencing with Section 50811) of Part 2 of Division 31 of the Health and Safety Code (HSC), the Department of Housing and Community Development (HCD) is allocating round 7 THP funding to counties for the purpose of housing stability to help young adults 18 to 24 years of age, inclusive, secure and maintain housing, with priority given to young adults formerly in the foster care or probation systems. The allocation is based on each county's percentage of the total statewide number of young adults 18 through 20 years of age in foster care and homeless unaccompanied young adults (ages 18 through 24). The funds may be used to identify housing services, assist this population to secure or maintain housing, improve coordination of services, link to community resources, or provide outreach to target those with the most severe need.

Pursuant to item 2240-103-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.8 (commencing with Section 50811) of Part 2 of Division 31 of the Health and Safety Code (HSC), HCD is allocating funding to counties for the support of housing navigators to help young adults 18 years and up to 24 years of age, inclusive, secure and maintain housing, with priority given to young adults currently or formerly in the foster care system. The formula allocation is based on each county's percentage of the total statewide number of young adults 17 through 21 years of age in the foster care and probation system. The funds may be used to assist youth in securing housing, provide housing case management, homelessness prevention, and improved coordination of services and linkages to key resources across the community.
OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
None.

FINANCING:
These are State allocations for $436,317 (THP) and $68,349 (HNMP), to be expended as of two years from the “effective date” of the fully executed Standard Agreement which will be sent after they have received the County Acceptance form. Appropriation and revenues will be incorporated in the upcoming budget for FY 2026-2027.
BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
This agreement correlates to the Health & Human Services Strategic Initiative adopted by the Board of Supervisors by allowing the Department of Social Services to provide services to transitional age youth.

Check the related Board of Supervisors Strategic Initiatives:
__Economic Development
__Administration
X Health & Human Services
__Infrastructure

__Public Safety

Prepared by: Chelsea Chacon, Management Analyst III, x8596

Approved by: Roderick W. Franks, Director, x4430

Attachments: Resolution
Acceptance Form

The proposed resolution is on file with the Clerk of the Board as an attachment to this Board Report.

County of Monterey

Board Report

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 25-134

September 16, 2025

Introduced: 8/27/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Resolution

Adopt a resolution to:
a. Authorize the application for and acceptance of the Transitional Housing Program (THP) Allocation Award Round 7 in the amount of $436,317 and the Housing Navigation and Maintenance Program (HNMP) Round 4 in the amount of $68,349 to be expended as of two years from the "effective date" of the fully executed Standard Agreement, to help young adults who are 18 to 24 years of age secure and maintain housing, with priority given to former foster or probation youth; and
b. Affirm that if THP funds or HNMP funds remain available for allocation after the deadline for submitting a signed Allocation Acceptance Form, and if eligible, the County will authorize acceptance of this additional allocation of funds up to the amount authorized by the Department but not to exceed $872,634 and $136,698 respectively; and
c. Authorize the Director or designee of Department of Social Services, to act on behalf of the County in connection with the THP and HNMP allocation/awards and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to participate in the THP and HNMP programs; and
d. Agree that the County shall be subject to the terms and conditions that are specified in the THP Round 7 and HNMP Round 4 Allocation Award documents and will use the funds in accordance with the Allocation Acceptance Form, award documents, amendments, requirements, or other applicable laws; and
e. Affirm that the County is authorized to accept either of the allocations independent of each other.

RECOMMENDATION:
It is recommended that the Board of Supervisors adopt a resolution to:
a. Authorize the application for and acceptance of the Transitional Housing Program (THP) Allocation Award Round 7 in the amount of $436,317 and the Housing Navigation and Maintenance Program (HNMP) Round 4 in the amount of $68,349 to be expended as of two years from the "effective date" of the fully executed Standard Agreement, to help young adults who are 18 to 24 years of age secure and maintain housing, with priority given to former foster or probation youth; and
b. Affirm that if THP funds or HNMP funds remain available for allocation after the deadline for submitting a signed Allocation Acceptance Form, and if eligible, the County will authorize acceptance of this additional allocation of funds up to the amount authorized by the Department but not to exceed $872,634 and $136,698 respectively; and
c. Authorize the Director or designee of Department of Social Services, to act on behalf of the County in connection with the THP and HNMP allocation/awards and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to participate in the THP and HNMP programs; and

d. Agree that the County shall be subject to the terms and conditions that are specified in the THP Round 7 and HNMP Round 4 Allocation Award documents and will use the funds in accordance with the Allocation Acceptance Form, award documents, amendments, requirements, or other applicable laws; and
e. Affirm that the County is authorized to accept either of the allocations independent of each other.

SUMMARY/DISCUSSION:
Pursuant to item 2240-103-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.8 (commencing with Section 50811) of Part 2 of Division 31 of the Health and Safety Code (HSC), the Department of Housing and Community Development (HCD) is allocating round 7 THP funding to counties for the purpose of housing stability to help young adults 18 to 24 years of age, inclusive, secure and maintain housing, with priority given to young adults formerly in the foster care or probation systems. The allocation is based on each county's percentage of the total statewide number of young adults 18 through 20 years of age in foster care and homeless unaccompanied young adults (ages 18 through 24). The funds may be used to identify housing services, assist this population to secure or maintain housing, improve coordination of services, link to community resources, or provide outreach to target those with the most severe need.

Pursuant to item 2240-103-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.8 (commencing with Section 50811) of Part 2 of Division 31 of the Health and Safety Code (HSC), HCD is allocating funding to counties for the support of housing navigators to help young adults 18 years and up to 24 years of age, inclusive, secure and maintain housing, with priority given to young adults currently or formerly in the foster care system. The formula allocation is based on each county's percentage of the total statewide number of young adults 17 through 21 years of age in the foster care and probation system. The funds may be used to assist youth in securing housing, provide housing case management, homelessness prevention, and improved coordination of services and linkages to key resources across the community.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
None.

FINANCING:
These are State allocations for $436,317 (THP) and $68,349 (HNMP), to be expended as of two years from the “effective date” of the fully executed Standard Agreement which will be sent after they have received the County Acceptance form. Appropriation and revenues will be incorporated in the upcoming budget for FY 2026-2027.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
This agreement correlates to the Health & Human Services Strategic Initiative adopted by the Board of Supervisors by allowing the Department of Social Services to provide services to transitional age youth.

Check the related Board of Supervisors Strategic Initiatives:
__Economic Development
__Administration
X Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Chelsea Chacon, Management Analyst III, x8596

Approved by: Roderick Franks, Director, x4430

Attachments: Resolution
Acceptance Form

The proposed resolution is on file with the Clerk of the Board as an attachment to this Board Report.

BEFORE THE BOARD OF SUPERVISORS
COUNTY OF MONTEREY, STATE OF CALIFORNIA

Resolution No.:
A Resolution Authorizing an Application for, and the Acceptance of,)
The County Allocation Award under Round 7 of the Transitional Housing Program)
And Round 4 of the Housing Navigation and Maintenance Program)

WHEREAS, the State of California, Department of Housing and Community Development ("Department") issued an Allocation Acceptance Form, dated August 19, 2025 under Round 7 of the Transitional Housing Program ("THP"), authorized by item 2240-102-0001 of section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.7 (commencing with Section 50807) of part 2 of Division 31 of the Health and Safety Code; and

WHEREAS, the State of California, Department of Housing and Community Development ("Department") issued an Allocation Acceptance Form, dated August 19, 2025 under Round 4 of the Housing Navigation and Maintenance Program ("HNMP") authorized by Item 2240-103-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.8 (commencing with Section 50811) of Part 2 of Division 31 of the Health and Safety Code; and

WHEREAS, the THP Allocation Acceptance Form and the HNMP Allocation Acceptance Form are collectively referred to as the "Allocation Acceptance Forms"; and

WHEREAS, the Allocation Acceptance Forms relate to the availability of the funds under the THP and HNMP Programs; and

WHEREAS, the County of Monterey ("County") may be listed as an eligible applicant in the THP Allocation Acceptance Form, dated August 19, 2025, the County may also be listed as an eligible applicant in the HNMP Allocation Acceptance Form dated August 19, 2025.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the County of Monterey does determine and declare as follows:

SECTION 1. That County is hereby authorized and directed to apply for and accept County's allocation award, as detailed in the THP Allocation Acceptance Form, in the amount of $436,317 detailed and authorized in the THP Allocation Acceptance Form at the time this resolution is executed and authorized.

SECTION 2. That County hereby affirms that if THP funds remain available for allocation after the deadline for submitting a signed Allocation Acceptance Form, and if the County is eligible for an additional allocation from the remaining funds for the THP program, the County is hereby authorized and directed to accept this additional allocation of funds ("Additional THP Allocation") up to the amount authorized by Department but not to exceed $872,634.

SECTION 3. That County is hereby authorized and directed to apply for and accept County's allocation award in the amount of $68,349 as detailed in the HNMP Allocation Acceptance Form at the time this resolution is executed and authorized.

SECTION 4. That County hereby affirms that if HNMP funds remain available for allocation after the deadline for submitting a signed Allocation Acceptance Form, and if the County is eligible for an additional allocation from the remaining funds for the HNMP program, the County is hereby authorized and directed to accept this additional allocation of funds ("Additional HNMP Allocation") up to the amount authorized by Department but not to exceed $136,698.

SECTION 5. That the Director of Social Services, the Assistant Director of Social Services, or the Finance

Manager III of Social Services, are hereby authorized and directed to act on behalf of County in connection with the THP Allocation Award and any Additional THP Allocation, and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to participate in the THP Program, including but not limited to a Standard Agreement, be awarded the THP Allocation Award , and any additional THP Allocation, and any amendments to such documents (collectively, the "THP Allocation Award Documents").

SECTION 6. That the Director of Social Services, the Assistance Director of Social Services, or the Finance Manager III of Social Services, are hereby authorized and directed to act on behalf of County in connection with the HNMP Allocation Award and any Additional HNMP Allocation, and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to participate in the HNMP Program, including but not limited to a Standard Agreement, be awarded the HNMP Allocation Award, and any additional HNMP Allocation, and any amendments to such documents (collectively, the "HNMP Allocation Award Documents").

SECTION 7. That County shall be subject to the terms and conditions that are specified in the THP and HNMP Allocation Award Documents, and that County will use the THP and HNMP Allocation Award funds, and any additional THP and HNMP Allocation funds, in accordance with the Allocation Acceptance Form, the THP and HNMP Allocation Award Documents, and any subsequent amendments or amendment thereto, as well as any and all other THP and HNMP requirements, or other applicable laws.

SECTION 8. That County has the discretion to accept any or all of the THP and HNMP program funds as detailed herein but in the event that one of the two allocations are not made available for the County; or the County opts to not receive one of the allocations, the County affirms that it is authorized to accept either of the allocations independent of each other.

PASSED AND ADOPTED this _____day of _____, 2025 by the following vote, to-wit:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____.

Dated:
File Number:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy

Transitional Housing Program (THP)
Round 7 Allocation Acceptance Form

Housing Navigation and Maintenance Program (HNMP)
Round 4 Allocation Acceptance Form

Gavin Newsom, Governor
State of California

Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency

Gustavo Velasquez, Director
Department of Housing and Community Development

651 West Bannon Street, Suite 400
Sacramento, CA 95811
Telephone: (916) 263-2771
Website: www.hcd.ca.gov
Email: TAY@hcd.ca.gov

September 2025

Transitional Housing Program (THP) Allocation Acceptance Round 7

Rev. 08/19/25

County Allocation (select Applicant County in row 7 below): **$436,317**

Pursuant to item 2240-102-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.7 (commencing with Section 50807) of Part 2 of Division 31 of the Health and Safety Code (HSC), the Department of Housing and Community Development (HCD) shall allocate funding to counties for the purpose of housing stability to help young adults 18 to 24 years of age, inclusive, secure and maintain housing, with priority given to young adults formerly in the foster care or probation systems.

Housing First

The Contractor shall certify to employ the core components of Housing First, pursuant to Welfare and Institutions Code Section 8255 (b) as shown below:

1) Tenant screening and selection practices that promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services;
2) Applicants are not rejected on the basis of poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of "housing readiness";
3) Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems frequented by vulnerable people experiencing homelessness;
4) Supportive services that emphasize engagement and problem solving over therapeutic goals and service plans that are highly tenant-driven without predetermined goals;
5) Participation in services or program compliance is not a condition of permanent housing tenancy;
6) Tenants have a lease and all the rights and responsibilities of tenancy, as outlined in California's Civil, Health and Safety, and Government codes;
7) The use of alcohol or drugs in and of itself, without other lease violations, is not a reason for eviction;
8) In communities with coordinated assessment and entry systems, incentives for funding promote tenant selection plans for supportive housing that prioritize eligible tenants based on criteria other than "first-come-first-serve," including, but not limited to, the duration or chronicity of homelessness, vulnerability to early mortality, or high utilization of crisis services. Prioritization may include triage tools, developed through local data, to identify high-cost, high-need homeless residents;
9) Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling;
10) Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses; and
11) The project and specific apartment may include special physical features that accommodate disabilities, reduce harm, and promote health and community and independence among tenants.

Allocation Applicant

Allocation Applicant is a County	Yes

Pursuant to Section 50807(b) of the HSC, HCD consulted with the Department of Social Services, the Department of Finance, and the County Welfare Directors Association to develop a formula allocation schedule for the purpose of distributing these funds to counties. The allocation is based on each county's percentage of the total statewide number of young adults 18 through 20 years of age in foster care and homeless unaccompanied young adults (ages 18 through 24).

Applicant County	**Monterey**										
Legal name of Applicant as stated on resolution:	**County of Monterey**										
Address	1000 South Main St.				City	Salinas	State	CA	Zip	93901	
Auth Rep Name	Becky Cromer	Title	Finance Manager III	Auth Rep Email	CromerBL@countyofmonterey.gov				Phone	(831) 755-4430	
Address	1000 South Main St. Suite 306				City	Salinas	State	CA	Zip	93901	
Contact Name	Chelsea Chacon	Title	Management Analyst III		Email	ChaconC@countyofmonterey.gov			Phone		
Address	1000 South Main St. Suite 205				City	Salinas	State	CA	Zip	93901	
Federal Tax ID Number (FEIN)	94-6000524										
Administrative Fiscal Representative											
Contact Name	Becky Cromer		Title	Finance Manager III		Contact Email	CromerBL@countyofmonterey.gov				
Phone	(831) 755-4430	Address	1000 South Main St. Suite 306		City	Salinas	State	CA	Zip	93901	
File Name:	**App Resolution**	Reference sample resolution document						Attached to email?		Yes	
File Name:	**App GovTIN Form**	Reference Taxpayer Identification Number (TIN) document						Attached to email?		Yes	

Use of Funds

Funds shall be used to help young adults who are 18 to 24 years of age, inclusive, secure and maintain housing with priority given to young adults formerly in the state's foster care or probation systems. Use of funds may include, but are not limited to:
1) Identify and assist housing services for this population in your community;
2) Assist this population to secure and maintain housing (with priority given to those in the state's foster care or probation system);
3) Improve coordination of services and linkages to community resources within the child welfare system and the Homeless Continuum of Care; and
4) Provide engagement in outreach and targeting to serve those with the most severe needs.

Expenditure of Funds

Any grant funds remaining unexpended as of two years from the "Effective Date" of the fully executed Standard Agreement as stated in the STD 213, paragraph 2, must be returned to the State. Checks shall be payable to the Department of Housing and Community Development and mailed to 651 Bannon Street, Suite 400, Attention: Administration and Management Division, Accounts Payable, Sacramento CA 95811 and must reference the Contract Number.

Allocation Acceptance Requirements

In order to accept and receive an allocation, applicants must submit the following: 1. Signed Allocation Acceptance Form, 2. GovTIN Form, and 3. Signed Resolution. If Signed Resolution is not available by submittal date please include the scheduled date of Board of Supervisors meeting and anticipated date the Signed Resolution will be submitted to the Department. *The Department will only accept applications electronically via email no later than 5:00 p.m. on:*

Tuesday, September 18, 2025

HCD will only accept applications electronically at the following email address:

TAY@hcd.ca.gov

Reporting Requirements

Applicant acknowledges and agrees to submit an bi-annual report to the Department for the two years following contract execution addressing the following: A. Number of program participants served who were homeless at time of program entry; B. Number of program participants served who were in the State's foster care system; C. Number of program participants served who were formerly in the State's foster care or probation systems; D. Number of program participants who exited homelessness into temporary housing; E. Number of program participants who exited homelessness into permanent housing; F. Itemization on use of program fund expenditures; G. Who were the housing navigators or other subcontractor(s)? H. Subpopulation data including: 1. Number of participants that are employed; 2. Number of participants identified as LGBTQ+; 3. Number of participants having a disability; 4. Number of participants with minor children in the household; and, 5. Average number of children per household.	Yes

California Public Records Act

The application, including any and all supplemental documents submitted during the review process, is a public record, which is available for public review pursuant to the California Public Records Act (CPRA) (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). After final awards have been issued, the Department may disclose any materials provided by the Applicant to any person making a request under the CPRA. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, personal phone numbers, and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

Certification

On behalf of the entity identified in the signature block below, I certify that:
The information, statements and attachments included in this Allocation Acceptance Form are, to the best of my knowledge and belief, true and correct.
I possess the legal authority to submit this Allocation Acceptance Form on behalf of the entity identified above.
In addition, I acknowledge that all information in this application and attachments is public, and may be disclosed by the State.

Becky Cromer	Finance Manager III		
Authorized Rep Printed Name	Title of Authorized Rep	Signature	Date

Housing Navigation and Maintenance Program (HNMP) Allocation Acceptance Round 4

Rev. 08/19/25

County Allocation (select Applicant County in row 7 below): **$68,349**

Pursuant to item 2240-103-0001 of Section 2.00 of the Budget Act of 2025 (Chapter 4 of the Statutes of 2025) and Chapter 11.8 (commencing with Section 50811) of Part 2 of Division 31 of the Health and Safety Code (HSC), the Department of Housing and Community Development (HCD) shall allocate funding to counties for the support of housing navigators to help young adults 18 years and up to 24 years of age, inclusive, secure and maintain housing, with priority given to young adults currently or formerly in the foster care system.

Housing First

The Contractor shall certify to employ the core components of Housing First, pursuant to Welfare and Institutions Code Section 8255.

1) Tenant screening and selection practices that promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services;
2) Applicants are not rejected on the basis of poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of "housing readiness";
3) Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems frequented by vulnerable people experiencing homelessness;
4) Supportive services that emphasize engagement and problem solving over therapeutic goals and service plans that are highly tenant-driven without predetermined goals;
5) Participation in services or program compliance is not a condition of permanent housing tenancy;
6) Tenants have a lease and all the rights and responsibilities of tenancy, as outlined in California's Civil, Health and Safety, and Government codes;
7) The use of alcohol or drugs in and of itself, without other lease violations, is not a reason for eviction;
8) In communities with coordinated assessment and entry systems, incentives for funding promote tenant selection plans for supportive housing that prioritize eligible tenants based on criteria other than "first-come-first-serve," including, but not limited to, the duration or chronicity of homelessness, vulnerability to early mortality, or high utilization of crisis services. Prioritization may include triage tools, developed through local data, to identify high-cost, high-need homeless residents;
9) Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling;
10) Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses; and
11) The project and specific apartment may include special physical features that accommodate disabilities, reduce harm, and promote health and community and independence among tenants.

Allocation Applicant

Allocation Applicant is a County	Yes

Pursuant to Section 50811 of the HSC, HCD consulted with the Department of Social Services, the Department of Finance, and the County Welfare Directors Association to establish the formula allocation for the purpose of distributing these funds to counties. The formula allocation is based on each county's percentage of the total statewide number of young adults 17 through 21 years of age in the foster care and probation system. The allocation excludes Alpine and Mono counties because their calculation did not demonstrate need. The housing navigation and maintenance program for a county that accepts an allocation of money pursuant to this section shall provide training to its child welfare agency social workers and probation officers who serve nonminor dependents. The training shall address an overview of the housing resources available through the local coordinated entry system, homeless continuum of care, and county public agencies, including, but not limited to, housing navigation, permanent affordable housing, THP-Plus, and housing choice vouchers. The training shall also address how to access and receive a referral to existing housing resources, the social worker's and probation officer's role in identifying unstable housing situations for youth, and referring youth to housing assistance programs.☐ ☐ ☐ ☐

Applicant County	**Monterey**										
Legal name of Applicant as stated on resolution:	**County of Monterey**										
Address	1000 South Main St.				City	Salinas		State	CA	Zip	93901
Auth Rep Name	Becky Cromer		Title	Finance Manager III	Auth Rep Email	CromerBL@countyofmonterey.gov				Phone	(831) 755-4430
Address	1000 South Main St. Suite 306				City	Salinas		State	CA	Zip	93901
Contact Name	Chelsea Chacon		Title	Management Analyst III	Email	ChaconC@countyofmonterey.gov				Phone	(831) 755-8596
Address	1000 South Main St. Suite 205				City	Salinas		State	CA	Zip	93901
Federal Tax ID Number (FEIN)	94-6000524										
Administrative Fiscal Representative											
Contact Name	Becky Cromer		Title	Finance Manager III	Contact Email	CromerBL@countyofmonterey.gov					
Phone	(831) 755-4430	Address	1000 South Main St. Suite 306		City	Salinas		State	CA	Zip	93901
File Name:	**App Resolution**	Reference sample resolution document					Attached to email?	Yes			
File Name:	**App TIN**	Reference Taxpayer Identification Number (TIN) document					Attached to email?	Yes			

Use of Funds

The HNMP program funds housing navigators for counties. The role of a housing navigator is to act as a housing specialist to assist young adults with their pursuits of locating available housing and overcoming barriers to locating housing. Housing navigation and maintenance activities may include, but are not limited to:

1) Assist young adults aged 18-24 years of age, inclusive, secure and maintain housing (with priority access given to young adults in the state's foster care system);
2) Provide housing case management which include essential services in emergency supports to foster youth;
3) Prevent young adults from becoming homeless; and
4) Improve coordination of serves and linkages to key resources across the community including those from within the child welfare system and the local Continuum of Care.

Expenditure of Funds

Any grant funds remaining unexpended as of two years from the "Effective Date" of the fully executed Standard Agreement as stated in the STD 213, paragraph 2, must be returned to the State. Checks shall be payable to the Department of Housing and Community Development and mailed to 651 Bannon Street, Suite 400, Attention: Administration and Management Division, Accounts Payable, Sacramento CA 95811 and must reference the Contract Number.

Allocation Acceptance Requirements

In order to accept and receive an allocation, applicants must submit the following: 1. Signed Allocation Acceptance Form, 2. GovTIN Form, and 3. Signed Resolution. If Signed Resolution is not available by submittal date please include the scheduled date of Board of Supervisors meeting and anticipated date the Signed Resolution will be submitted to the Department. *The Department will only accept applications electronically via email no later than 5:00 p.m. on:*

Tuesday, September 18, 2025

HCD will only accept applications electronically at the following email address:

TAY@hcd.ca.gov

Reporting Requirements

Applicant acknowledges and agrees to submit an bi-annual report to the Department for the two years following contract execution addressing the following: A. Number of program participants served with program funds; B. Itemization of use of program funds; C. Details on housing navigators and other subcontractors; D. Number of program participants served who were in the State's foster care system; E. Number of program participants who were homeless at time of program entry; F. Number of program participants who exited homelessness into temporary housing; G. Number of program participants who exited homelessness into permanent housing; and, H. Subpopulation data including: 1. Number of participants that are employed; 2. Number of participants identified as LGBTQ+; 3. Number of participants with a disability; 4. Number of participants with minor children in the household; and, 5. Average number of children per household.	Yes

California Public Records Act

The application, including any and all supplemental documents submitted during the review process, is a public record, which is available for public review pursuant to the California Public Records Act (CPRA) (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). After final awards have been issued, the Department may disclose any materials provided by the Applicant to any person making a request under the CPRA. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, personal phone numbers, and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

Certification

On behalf of the entity identified in the signature block below, I certify that:
The information, statements and attachments included in this Allocation Acceptance Form are, to the best of my knowledge and belief, true and correct.
I possess the legal authority to submit this Allocation Acceptance Form on behalf of the entity identified above.
In addition, I acknowledge that all information in this application and attachments is public, and may be disclosed by the State.

Becky Cromer	Finance Manager III		
Authorized Rep Printed Name	Title of Authorized Rep	Signature	Date

County of Monterey

Board Report

Legistar File Number: A 25-367

Item No.50

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/26/2025
Version: 1

Current Status: Criminal Justice - Consent
Matter Type: BoS Agreement

Authorize the County Administrative Officer or designee to execute a retroactive Memorandum of Agreement, effective October 1, 2023 and shall remain in full force and effect through the full appropriation of 2024 Justice Assistance Grant (JAG) funds and all related documentation on behalf of the County for the FY 2024 Local Solicitation award for the Edward Byrne Memorial Justice Assistance Grant (JAG), with the City of Salinas, subject to review and approval by County Counsel.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Authorize the County Administrative Officer or designee to execute a retroactive Memorandum of Agreement, effective October 1, 2023 and shall remain in full force and effect through the full appropriation of 2024 Justice Assistance Grant (JAG) funds and all related documentation on behalf of the County for the FY 2024 Local Solicitation award for the Edward Byrne Memorial Justice Assistance Grant (JAG), with the City of Salinas, subject to review and approval by County Counsel.

SUMMARY/DISCUSSION:
The Monterey County Sheriff's Office has the opportunity to obtain direct grant funds under the 2024 BJA FY 24 Edward Byrne Memorial Justice Assistance Grant Program Local Solicitation. This is an opportunity to receive funds for the purchase of keyboards (to go along with the Toughbook's we leased) in the Sheriff's Office, which funding is not otherwise available in the departments approved budget. No matching funds are required for acceptance of this grant funding. The requested action is part of a continuing cooperative arrangement with the City of Salinas and the Monterey County Sheriff's Office to secure this funding, in accordance with the requirements of the JAG grant program.

This Salinas City resolution for this MOU was received by MCSO on August 15, 2025.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
The County Administrative Office and the City of Salinas support this action and are prepared to enter into a Memorandum of Agreement.

FINANCING:
There will be no new net county cost to the County General Fund. Total funding provided in the grant is $74,970 with $19,128 of those funds reserved for the Monterey County Sheriff's Office.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

Mark a check to the related Board of Supervisors Strategic Plan Goals:

____ Well-Being and Quality of Life
____ Sustainable Infrastructure for the Present and Future
_X__Safe and Resilient Communities
____ Diverse and Thriving Economy
_X__ Dynamic Organization and Employer of Choice

Prepared by: Arthur Curtright, Management Analyst III, Ext #3708
Reviewed by: Jason Smith, Chief Deputy, #3801
Approved by: Tina M. Nieto, Sheriff/Coroner, Ext #3750

Attachments:
2024 JAG Award_Package
MOU - 2024 JAG Byrne Grant
City of Salinas Resolution

County of Monterey

Board Report

Legistar File Number: A 25-367

Item No.48

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/26/2025
Version: 1

Current Status: Criminal Justice - Consent
Matter Type: BoS Agreement

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____ Well-Being and Quality of Life

____ Sustainable Infrastructure for the Present and Future

_X__Safe and Resilient Communities

____ Diverse and Thriving Economy

_X__ Dynamic Organization and Employer of Choice

Prepared by: Arthur Curtright, Management Analyst III, Ext #3708

Reviewed by: Jason Smith, Chief Deputy, #3801

Approved by: Tina M. Nieto, Sheriff/Coroner, Ext #3750

Attachments:

2024 JAG Award_Package

MOU - 2024 JAG Byrne Grant

City of Salinas Resolution

Department of Justice (DOJ)

Office of Justice Programs

Bureau of Justice Assistance

Washington, D.C. 20531

Name and Address of Recipient:	CITY OF SALINAS 200 LINCOLN AVE
City, State and Zip:	SALINAS, CA 93901
Recipient UEI:	CHDWBL29G9Z5

Project Title: 2024 JAG for the City of Salinas and County of Monterey	**Award Number:** 15PBJA-24-GG-05174-JAGX
Solicitation Title: BJA FY 24 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation	
Federal Award Amount: $74,970.00	**Federal Award Date:** 12/5/24
Awarding Agency: Office of Justice Programs Bureau of Justice Assistance	
Funding Instrument Type: Grant	
Opportunity Category: O **Assistance Listing:** 16.738 - Edward Byrne Memorial Justice Assistance Grant Program	
Project Period Start Date: 10/1/23	**Project Period End Date:** 9/30/27
Budget Period Start Date: 10/1/23	**Budget Period End Date**: 9/30/27

Project Description:

The disparate jurisdictions of the City of Salinas and County of Monterey will use JAG funds for technology supplies. Specifically, Salinas will use JAG funds to purchase automated license plate reader (LPR) camera systems to enhance capabilities to prevent, investigate, and solve crimes. Monterey County will use JAG funds to purchase new laptops and associated accessories for their Patrol Field Training Officers, as well as screen protectors for the CF33 tablets installed in Patrol vehicles.

Award Letter

December 5, 2024

Dear Danny Warner,

On behalf of Attorney General Merrick B. Garland, it is my pleasure to inform you the Office of Justice Programs (OJP) has approved the application submitted by CITY OF SALINAS for an award under the funding opportunity entitled 2024 BJA FY 24 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation. The approved award amount is $74,970.
Review the Award Instrument below carefully and familiarize yourself with all conditions and requirements before accepting your award. The Award Instrument includes the Award Offer (Award Information, Project Information, Financial Information, and Award Conditions) and Award Acceptance. For COPS Office and OVW funding the Award Offer also includes any Other Award Documents.

Please note that award requirements include not only the conditions and limitations set forth in the Award Offer, but also compliance with assurances and certifications that relate to conduct during the period of performance for the award. These requirements encompass financial, administrative, and programmatic matters, as well as other important matters (e.g., specific restrictions on use of funds). Therefore, all key staff should receive the award conditions, the assurances and certifications, and the application as approved by OJP, so that they understand the award requirements. Information on all pertinent award requirements also must be provided to any subrecipient of the award.

Should you accept the award and then fail to comply with an award requirement, DOJ will pursue appropriate remedies for non-compliance, which may include termination of the award and/or a requirement to repay award funds.

Prior to accepting the award, your Entity Administrator must assign a Financial Manager, Grant Award Administrator, and Authorized Representative(s) in the Justice Grants System (JustGrants). The Entity Administrator will need to ensure the assigned Authorized Representative(s) is current and has the legal authority to accept awards and bind the entity to the award terms and conditions. To accept the award, the Authorized Representative(s) must accept all parts of the Award Offer in the Justice Grants System (JustGrants), including by executing the required declaration and certification, within 45 days from the award date.

To access your funds, you will need to enroll in the Automated Standard Application for Payments (ASAP) system, if you haven't already completed the enrollment process in ASAP. The Entity Administrator should have already received an email from ASAP to initiate this process.

Congratulations, and we look forward to working with you.

Brent J. Cohen
Acting Assistant Attorney General

Office for Civil Rights Notice for All Recipients

The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ) enforces federal civil rights laws and other provisions that prohibit discrimination by recipients of federal financial assistance from OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW).

Several civil rights laws, including Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973, require recipients of federal financial assistance (recipients) to give assurances that they will comply with those laws. Taken together, these and other civil rights laws prohibit recipients from discriminating in the provision of services and employment because of race, color, national origin, religion, disability, and sex or from discriminating in the provision of services on the bases of age.

Some recipients of DOJ financial assistance have additional obligations to comply with other applicable nondiscrimination provisions like the Omnibus Crime Control and Safe Streets Act of 1968, which prohibits discrimination on the basis of religion in addition to race, color, national origin, and sex. Recipients may also have related requirements regarding the development and implementation of equal employment opportunity programs.

OCR provides technical assistance, training, and other resources to help recipients comply with civil rights obligations. Further, OCR administratively enforces civil rights laws and nondiscrimination provisions by investigating DOJ recipients that are the subject of discrimination complaints. In addition, OCR conducts compliance reviews of DOJ recipients based on regulatory criteria. These investigations and compliance reviews permit OCR to evaluate whether DOJ recipients are providing services to the public and engaging in employment practices in a nondiscriminatory manner.

For more information about OCR, your civil rights and nondiscrimination responsibilities, how to notify your employees or beneficiaries of their civil rights protections and responsibilities and how to file a complaint, as well as technical assistance, training, and other resources, please visit www.ojp.gov/program/civil-rights-office/outreach. If you would like OCR to assist you in fulfilling your civil rights or nondiscrimination responsibilities, please contact us at askOCR@ojp.usdoj.gov or www.ojp.gov/program/civil-rights-office/about#ocr-contacts.

Memorandum Regarding NEPA

NEPA Letter Type

OJP - Ongoing NEPA Compliance Incorporated into Further Developmental Stages

NEPA Letter

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) allows states and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system, some of which could have environmental impacts. All recipients of JAG funding must assist BJA in complying with NEPA and other related federal environmental impact analyses requirements in the use of grant funds, whether the funds are used directly by the grantee or by a subgrantee or third party.? Accordingly,?prior to obligating?funds for any of the specified activities, the grantee must first determine if any of the specified activities will be?funded by the grant.

?The specified activities requiring environmental analysis are:

a. New construction;

b. Any renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;

c.? A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior

d.? Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an i

e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

Complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. Further, for programs relating to methamphetamine laboratory operations, the preparation of a detailed Mitigation Plan will be required. For more information about Mitigation Plan requirements, please see https://www.bja.gov/Funding/nepa.html.

NEPA Coordinator

First Name	Middle Name	Last Name
Orbin	no value	Terry

Award Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Recipient Information

Recipient Name
CITY OF SALINAS

UEI
CHDWBL29G9Z5

Street 1
200 LINCOLN AVE

Street 2

City
SALINAS

State/U.S. Territory
California

Zip/Postal Code
93901

Country
United States

County/Parish
no value

Province
no value

Award Details

Federal Award Date
12/5/24

Award Type
Initial

Award Number
15PBJA-24-GG-05174-JAGX

Supplement Number
00

Federal Award Amount
$74,970.00

Funding Instrument Type
Grant

Assistance Listing Number	Assistance Listings Program Title
16.738	Edward Byrne Memorial Justice Assistance Grant Program

Statutory Authority

Pub. L. No. 90-351, Title I, Part E, subpart 1 (codified at 34 U.S.C. 10151-10158); see also 28 U.S.C. 530C(a).

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Project Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Solicitation Title

2024 BJA FY 24 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation

Awarding Agency
OJP

Program Office
BJA

Application Number
GRANT14284444

Grant Manager	Phone Number	E-mail Address
Letha Bell	202-702-8112	Letha.Bell@usdoj.gov

Project Title
2024 JAG for the City of Salinas and County of Monterey

Performance Period Start Date	Performance Period End Date
10/01/2023	09/30/2027

Budget Period Start Date	Budget Period End Date
10/01/2023	09/30/2027

Project Description

The disparate jurisdictions of the City of Salinas and County of Monterey will use JAG funds for technology supplies. Specifically, Salinas will use JAG funds to purchase automated license plate reader (LPR) camera systems to enhance capabilities to prevent, investigate, and solve crimes. Monterey County will use JAG funds to purchase new laptops and associated accessories for their Patrol Field Training Officers, as well as screen protectors for the CF33 tablets installed in Patrol vehicles.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Financial Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Award Conditions

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Condition 1
Meaningful access requirement for individuals with limited English proficiency

The recipient, and any subrecipient at any tier, must take reasonable steps to ensure that individuals with limited English proficiency (LEP) have meaningful access to their programs and activities to comply with Title VI of the Civil Rights Act of 1964 (Title VI), which prohibits discrimination on the basis of national origin, including discrimination against individuals with LEP. Such steps may require providing language assistance services, such as interpretation or translation services. The Department of Justice guidance on compliance with this requirement may be found at "Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" (67 Fed. Reg. 41455-41472) (https://www.federalregister.gov/d/02-15207) and is incorporated by reference here.

Condition 2

Compliance with general appropriations-law restrictions on the use of federal funds (FY 2024)
The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions that may be set out in applicable appropriations acts are indicated at https://ojp.gov/funding/Explore/FY24AppropriationsRestrictions.htm, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

Condition 3
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38.

Among other things, 28 C.F.R. Part 38 states that recipients may not use direct Federal financial assistance from the Department to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by the Department of Justice, or in their outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38 also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations. In addition, Part 38 states that a faith-based organization that participates a Department of Justice funded program retains its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law.

Recipients and subrecipients that provide social services under this award must give written notice to beneficiaries and prospective beneficiaries prior to the provision of services (if practicable) which shall include language substantially similar to the language in 28 CFR Part 38, Appendix C, sections (1) through (4). A sample written notice may be found at https://www.ojp.gov/program/civil-rights-office/partnerships-faith-based-and-other-neighborhood-organizations.

In certain instances, a faith-based or religious organization may be able to take religion into account when making hiring decisions, provided it satisfies certain requirements. For more information, please see https://www.ojp.gov/funding/explore/legaloverview2024/civilrightsrequirements.

Condition 4
Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award.

Limited Exceptions. In certain special circumstances, the U.S. Department of Justice ("DOJ") may determine that it will not enforce, or enforce only in part, one or more requirements otherwise applicable to the award. Any such exceptions regarding enforcement, including any such exceptions made during the period of performance, are (or will be during the period of performance) set out through the Office of Justice Programs ("OJP") webpage entitled "Legal Notices: Special circumstances as to particular award conditions" (ojp.gov/funding/Explore/LegalNotices-AwardReqts.htm), and incorporated by reference into the award.

By signing and accepting this award on behalf of the recipient, the authorized recipient official accepts all material requirements of the award, and specifically adopts, as if personally executed by the authorized recipient official, all assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance.

Failure to comply with one or more award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or an assurance or certification related to conduct during the award period -- may

result in OJP taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. DOJ, including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 34 U.S.C. 10271-10273), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.

Condition 5
Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

Condition 6
Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements") apply to this award from OJP.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and subawards ("subgrants"), see the OJP website at https://ojp.gov/funding/Part200UniformRequirements.htm.

Record retention and access: Records pertinent to the award that the recipient (and any subrecipient ("subgrantee") at any tier) must retain -- typically for a period of 3 years from the date of submission of the final expenditure report (SF 425), unless a different retention period applies -- and to which the recipient (and any subrecipient ("subgrantee") at any tier) must provide access, include performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records indicated at 2 C.F.R. 200.334.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

Condition 7
Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient, and any subrecipients ("subgrantees") at any tier, must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award-- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by--(1) online submission accessible via the OIG webpage at https://oig.justice.gov/hotline/contact-grants.htm (select "Submit Report Online"); (2) mail directed to: U.S. Department of Justice, Office of the Inspector General, Investigations Division, ATTN: Grantee Reporting, 950 Pennsylvania Ave., NW, Washington, DC 20530; and/or (3) by facsimile directed to the DOJ OIG Investigations Division (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at https://oig.justice.gov/hotline.

Condition 8
Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

Condition 9
Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "DOJ Grants Financial Guide").

Condition 10
Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

Condition 11
Compliance with DOJ Grants Financial Guide

References to the DOJ Grants Financial Guide are to the DOJ Grants Financial Guide as posted on the OJP website (currently, the "DOJ Grants Financial Guide" available at https://ojp.gov/financialguide/DOJ/index.htm), including any updated version that may be posted during the period of performance. The recipient agrees to comply with the DOJ Grants Financial Guide.

Condition 12
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including any applicable requirements in Subpart E of 28 C.F.R. Part 42 that relate to an equal employment opportunity program.

Among other items, 28 C.F.R. § 42.106(d), 28 C.F.R. § 42.405(c), and 28 C.F.R. § 42.505(f) contain notice requirements that covered recipients must follow regarding the dissemination of information regarding federal nondiscrimination requirements.

Condition 13
Determination of suitability to interact with participating minors

SCOPE. This condition applies to this award if it is indicated -- in the application for the award (as approved by DOJ)(or in the application for any subaward, at any tier), the DOJ funding announcement (solicitation), or an associated federal statute -- that a purpose of some or all of the activities to be carried out under the award (whether by the recipient, or a

subrecipient at any tier) is to benefit a set of individuals under 18 years of age.

The recipient, and any subrecipient at any tier, must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP web site at https://ojp.gov/funding/Explore/Interact-Minors.htm (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

Condition 14
Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at OJP.ComplianceReporting@ojp.usdoj.gov. For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.

Condition 15
Employment eligibility verification for hiring under the award

1. The recipient (and any subrecipient at any tier) must--

A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the recipient (or any subrecipient) properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1).

B. Notify all persons associated with the recipient (or any subrecipient) who are or will be involved in activities under this award of both--

(1) this award requirement for verification of employment eligibility, and

(2) the associated provisions in 8 U.S.C. 1324a(a)(1) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.

C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the award requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1).

D. As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. Staff involved in the hiring process

For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient (or any subrecipient) officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

B. Employment eligibility confirmation with E-Verify

For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient (or any subrecipient) may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the recipient (or subrecipient) uses E-Verify (and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

D. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any recipient, any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1).

Questions about E-Verify should be directed to DHS. For more information about E-Verify visit the E-Verify website (https://www.e-verify.gov/) or email E-Verify at E-Verify@dhs.gov. E-Verify employer agents can email E-Verify at E-VerifyEmployerAgent@dhs.gov.

Questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

Condition 16
Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

Condition 17
Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified (that is, moved and renumbered) to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.

Condition 18
Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

Condition 19
OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at https://www.ojp.gov/funding/implement/training-guiding-principles-grantees-and-subgrantees.

Condition 20
Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed $250,000

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold (currently, $250,000). This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP web site at https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract

(if contract would exceed $250,000)), and are incorporated by reference here.

Condition 21
Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope Grant Award Modification (GAM) to eliminate any inappropriate duplication of funding.

Condition 22
Required training for Grant Award Administrator and Financial Manager

The Grant Award Administrator and all Financial Managers for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after January 1, 2021, will satisfy this condition.

In the event that either the Grant Award Administrator or a Financial Manager for this award changes during the period of performance, the new Grant Award Administrator or Financial Manager must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after the date the Entity Administrator enters updated Grant Award Administrator or Financial Manager information in JustGrants. Successful completion of such a training on or after January 1, 2021, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at https://onlinegfmt.training.ojp.gov/. All trainings that satisfy this condition include a session on grant fraud prevention and detection.

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

Condition 23
Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

Condition 24
Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

Condition 25
Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

Condition 26
Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient) -- (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "Personally Identifiable Information (PII)" (2 CFR 200.1) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

Condition 27
Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at https://www.sam.gov/. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at https://ojp.gov/funding/Explore/SAM.htm (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

Condition 28
Compliance with restrictions on the use of federal funds--prohibited and controlled equipment under OJP awards

Consistent with Executive Order 14074, “Advancing Effective, Accountable Policing and Criminal Justice Practices To Enhance Public Trust and Public Safety,” OJP has prohibited the use of federal funds under this award for purchases or transfers of specified equipment by law enforcement agencies. In addition, OJP requires the recipient, and any subrecipient (“subgrantee”) at any tier, to put in place specified controls prior to using federal funds under this award to acquire or transfer any property identified on the “controlled equipment” list. The details of the requirement are posted on the OJP web site at https://www.ojp.gov/funding/explore/prohibited-and-controlled-equipment (Award condition: Compliance with restrictions on the use of federal funds--prohibited and controlled equipment under OJP awards), and are incorporated by reference here.

Condition 29
Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

Condition 30
All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP web site at https://ojp.gov/funding/Explore/SubawardAuthorization.htm (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

Condition 31
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

Among other items, 28 C.F.R. § 54.140 contains notice requirements that covered recipients must follow regarding the dissemination of information regarding federal nondiscrimination requirements.

Condition 32
The recipient understands that, in accepting this award, the Authorized Representative declares and certifies, among other things, that he or she possesses the requisite legal authority to accept the award on behalf of the recipient entity and, in so doing, accepts (or adopts) all material requirements that relate to conduct throughout the period of performance under this award. The recipient further understands, and agrees, that it will not assign anyone to the role of Authorized Representative during the period of performance under the award without first ensuring that the individual has the requisite legal authority.

Condition 33
Verification and updating of recipient contact information

The recipient must verify its Grant Award Administrator, Financial Manager, and Authorized Representative contact information in JustGrants, including telephone number and e-mail address. If any information is incorrect or has changed, the award recipient’s Entity Administrator must make changes to contact information through DIAMD. Instructions on how to update contact information in JustGrants can be found at https://justicegrants.usdoj.gov/training/training-entity-management.

Condition 34
FFATA reporting: Subawards and executive compensation

The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of $30,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the OJP web site at https://ojp.gov/funding/Explore/FFATA.htm (Award condition: Reporting Subawards and Executive Compensation), and are incorporated by reference here.

This condition, including its reporting requirement, does not apply to-- (1) an award of less than $30,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

Condition 35
Body-worn cameras, policies and procedures

In accepting this award, the recipient agrees not to use award funds for purchases of body-worn cameras or related expenses for any agency unless that agency has policies and procedures in place that reinforce appropriate agency Use of Force policies and training and address technology usage, evidence acquisition, data storage and retention, as well as privacy issues, accountability and discipline.

Condition 36
Body armor - compliance with NIJ standards and other requirements

Ballistic-resistant and stab-resistant body armor purchased with award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice ballistic or stab standards, and is listed on the NIJ Compliant Body Armor Model List. In addition, ballistic-resistant and stab-resistant body armor purchased must be made in the United States and must be uniquely fitted, as set forth in 34 U.S.C. 10202(c)(1)(A). The latest NIJ standard information and the NIJ Compliant Body Armor List may be found by following the links located on the NIJ Body Armor page: https://nij.ojp.gov/topics/equipment-and-technology/body-armor. In addition, if recipient uses funds under this award to purchase body armor, the recipient is strongly encouraged to have a "mandatory wear" policy in effect. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty.

Condition 37
The recipient agrees to comply with OJP grant monitoring guidelines, protocols, and procedures, and to cooperate with BJA and OCFO on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits. The recipient agrees to provide to BJA and OCFO all documentation necessary to complete monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by BJA and OCFO for providing the requested documents. Failure to cooperate with BJA's/OCFO's grant monitoring activities may result in sanctions affecting the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to grant funds; referral to the Office of the Inspector General for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

Condition 38
Any written, visual, or audio publications funded in whole or in part under this award, with the exception of press releases, shall contain the following statements: "This project was supported by Grant No. <AWARD_NUMBER> awarded by the Bureau of Justice Assistance. The Bureau of Justice Assistance is a component of the Department of Justice's Office of Justice Programs, which also includes the Bureau of Justice Statistics, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention, the Office for Victims of Crime, and the SMART Office. Points of view or opinions in this document are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice." The current edition of the DOJ Grants Financial Guide provides guidance on allowable printing and publication activities.

Condition 39
Any Web site that is funded in whole or in part under this award must include the following statement on the home page, on all major entry pages (i.e., pages (exclusive of documents) whose primary purpose is to navigate the user to

interior content), and on any pages from which a visitor may access or use a Web-based service, including any pages that provide results or outputs from the service: "This Web site is funded in whole or in part through a grant from the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Neither the U.S. Department of Justice nor any of its components operate, control, are responsible for, or necessarily endorse, this Web site (including, without limitation, its content, technical infrastructure, and policies, and any services or tools provided)." The full text of the foregoing statement must be clearly visible on the home page. On other pages, the statement may be included through a link, entitled "Notice of Federal Funding and Federal Disclaimer," to the full text of the statement.

Condition 40
Confidentiality of data

The recipient (and any subrecipient at any tier) must comply with all confidentiality requirements of 34 U.S.C. 10231 and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. The recipient further agrees, as a condition of award approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, 28 C.F.R. 22.23.

Condition 41
The recipient agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this project.

Condition 42
Protection of human research subjects

The recipient (and any subrecipient at any tier) must comply with the requirements of 28 C.F.R. Part 46 and all OJP policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

Condition 43
Justification of consultant rate

Approval of this award does not indicate approval of any consultant rate in excess of $650 per day. A detailed justification must be submitted to and approved by the OJP program office prior to obligation or expenditure of such funds.

Condition 44
The recipient agrees that no funds under this grant award (including via subcontract or subaward, at any tier) may be used for unmanned aircraft systems (UAS), which includes unmanned aircraft vehicles (UAV), or for any accompanying accessories to support UAS.

Condition 45
Compliance with 28 C.F.R. Part 23

With respect to any information technology system funded or supported by funds under this award, the recipient (and any subrecipient at any tier) must comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 34 U.S.C. 10231(c)-(d). The recipient may not satisfy such a fine with federal funds.

Condition 46
Justice Information Sharing

Information sharing projects funded under this award must comply with DOJ's Global Justice Information Sharing Initiative (Global) guidelines. The recipient (and any subrecipient at any tier) must conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: https:/ / it.ojp.gov/ gsp_grantcondition.

The recipient (and any subrecipient at any tier) must document planned approaches to information sharing and describe compliance with the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

Condition 47
Required monitoring of subawards

The recipient must monitor subawards under this award in accordance with all applicable statutes, regulations, award conditions, and the DOJ Grants Financial Guide, and must include the applicable conditions of this award in any subaward. Among other things, the recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to use of award funds by subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under this award.

Condition 48
In accepting this award, the recipient agrees that grant funds cannot be used for Facial Recognition Technology (FRT) unless the recipient has policies and procedures in place to ensure that the FRT will be utilized in an appropriate and responsible manner that promotes public safety, and protects privacy, civil rights, and civil liberties and complies with all applicable provisions of the U.S. Constitution, including the Fourth Amendment's protection against unreasonable searches and seizures and the First Amendment's freedom of association and speech, as well as other laws and regulations. Recipients utilizing funds for FRT must make such policies and procedures available to DOJ upon request.

Condition 49
Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the recipient can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

Condition 50
Law enforcement task forces - required training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online (internet-based) task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership (www.ctfli.org). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership (www.ctfli.org).

Condition 51
Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental impact analyses requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to first determine if any of the following activities will be funded by the grant, prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA.

The recipient understands that this condition applies to new activities as set out below, whether or not they are being specifically funded with these award funds. That is, as long as the activity is being conducted by the recipient, a subrecipient, or any third party, and the activity needs to be undertaken in order to use these award funds, this condition must first be met. The activities covered by this condition are:

a. New construction;

b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;

c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;

d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and

e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. The recipient further understands and agrees to the requirements for implementation of a Mitigation Plan, as detailed at https://bja.gov/Funding/nepa.html, for programs relating to methamphetamine laboratory operations.

Application of This Condition to Recipient's Existing Programs or Activities: For any of the recipient's or its subrecipients' existing programs or activities that will be funded by these award funds, the recipient, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.

Condition 52
Establishment of trust fund

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish a trust fund account. Recipients (and subrecipients) must maintain advance payments of federal awards in interest-bearing accounts, unless regulatory exclusions apply (2 C.F.R. 200.305(b)(8)). The trust fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant Program (JAG). The recipient also agrees to obligate the award funds in the trust fund (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.

Condition 53
All State and Local JAG recipients must submit quarterly Federal Financial Reports (SF-425). Additionally, State JAG and Local JAG Category Two ($25K or more) must submit semi-annual performance reports through JustGrants and Local JAG Category One (Less than $25K) must submit annual performance reports through JustGrants. Consistent with the Department's responsibilities under the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, the recipient must provide data that measure the results of its work. The recipient must submit quarterly performance metrics reports through BJA's Performance Measurement Tool (PMT) website: https://bjapmt.ojp.gov/. For more detailed information on reporting and other JAG requirements, refer to the JAG reporting requirements webpage (https://bjapmt.ojp.gov/help/jagdocs.html). Failure to submit required JAG reports by established deadlines may result in the freezing of grant funds and future High Risk designation.

Condition 54
Required data on law enforcement agency training

Any law enforcement agency receiving direct or sub-awarded funding from this JAG award must submit quarterly accountability metrics data related to training that officers have received on the use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public.

Condition 55
Authorization to obligate (federal) award funds to reimburse certain project costs incurred on or after October 1, 2022

The recipient may obligate (federal) award funds only after the recipient makes a valid acceptance of the award. As of the first day of the period of performance for the award (October 1, 2022), however, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum-- (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via an Award Condition Modification (ACM)). (A withholding condition is a condition in the award document that precludes the recipient from obligating, expending, or drawing down all or a portion of the award funds until the condition is removed.)

Except to the extent (if any) that an award condition expressly precludes reimbursement of project costs incurred "at-risk," if and when the recipient makes a valid acceptance of this award and OJP removes each applicable withholding condition through an Award Condition Modification (ACM), the recipient is authorized to obligate (federal) award funds to reimburse itself for project costs incurred "at-risk" earlier during the period of performance (such as project costs incurred prior to award acceptance or prior to removal of an applicable withholding condition), provided that those project costs otherwise are allowable costs under the award.

Condition 56
If award funds are used for DNA testing of evidentiary materials, any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS. With the exception of Forensic Genetic Genealogy, no profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA. Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA profiles may be accepted for entry into CODIS. Booking agencies should work with their state CODIS agency to ensure all requirements are met for participation in Rapid DNA (see National Rapid DNA Booking Operational Procedures Manual).

Condition 57
Recipients utilizing award funds for forensic genealogy testing must adhere to the United States Department of Justice Interim Policy Forensic Genealogical DNA Analysis and Searching (https://www.justice.gov/olp/page/file/1204386/download), and must collect and report the metrics identified in Section IX of that document to BJA.

Condition 58
Submission of eligible records relevant to the National Instant Background Check System

Consonant with federal statutes that pertain to firearms and background checks -- including 18 U.S.C. 922 and 34 U.S.C. ch. 409 -- if the recipient (or any subrecipient at any tier) uses this award to fund (in whole or in part) a specific project or program (such as a law enforcement, prosecution, or court program) that results in any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the National Instant Background Check System (NICS), or that has as one of its purposes the establishment or improvement of records systems that contain any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS, the recipient (or subrecipient, if applicable) must ensure that all such court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS are promptly made available to the NICS or to the "State" repository/database that is electronically available to (and accessed by) the NICS, and -- when appropriate -- promptly must update, correct, modify, or remove such NICS-relevant "eligible records".

In the event of minor and transitory non-compliance, the recipient may submit evidence to demonstrate diligent monitoring of compliance with this condition (including subrecipient compliance). DOJ will give great weight to any such evidence in any express written determination regarding this condition.

Condition 59

Prohibition on use of award funds for match under BVP program

JAG funds may not be used as the 50% match for purposes of the DOJ Bulletproof Vest Partnership (BVP) program.

Condition 60
Extreme risk protection programs funded by JAG must include, at a minimum: pre-deprivation and post-deprivation due process rights that prevent any violation or infringement of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive or procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). Such programs must include, at the appropriate phase to prevent any violation of constitutional rights, at minimum, notice, the right to an in-person hearing, an unbiased adjudicator, the right to know opposing evidence, the right to present evidence, and the right to confront adverse witnesses; the right to be represented by counsel at no expense to the government; pre-deprivation and post-deprivation heightened evidentiary standards and proof which mean not less than the protections afforded to a similarly situated litigant in Federal court or promulgated by the State's evidentiary body, and sufficient to ensure the full protections of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive and procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). The heightened evidentiary standards and proof under such programs must, at all appropriate phases to prevent any violation of any constitutional right, at minimum, prevent reliance upon evidence that is unsworn or unaffirmed, irrelevant, based on inadmissible hearsay, unreliable, vague, speculative, and lacking a foundation; and penalties for abuse of the program.

Condition 61
Expenditures prohibited without waiver

No funds under this award may be expended on the purchase of items prohibited by the JAG program statute, unless, as set forth at 34 U.S.C. 10152, the BJA Director certifies that extraordinary and exigent circumstances exist, making such expenditures essential to the maintenance of public safety and good order.

Condition 62
Exceptions regarding Prohibited and Controlled Equipment under OJP awards

Notwithstanding any provision to the contrary in the other terms and conditions of this award, including in the condition regarding "Compliance with restrictions on the use of federal funds--prohibited and controlled equipment under OJP awards," the requirements for the “Transfer/Sale of Award-Funded Controlled Equipment to Other LEAs” and the requirements for the “Transfer/Sale of Award-Funded Controlled Equipment to NON-LEAs” do not apply to this award.

Condition 63
Use of program income

Program income (as defined in the Part 200 Uniform Requirements) must be used in accordance with the provisions of the Part 200 Uniform Requirements. Program income earnings and expenditures both must be reported on the quarterly Federal Financial Report, SF 425.

Condition 64
Initial period of performance; requests for extension.

The recipient understands that for award amounts of less than $25,000 under JAG (Category 1), the initial period of performance of the award is two years. The recipient further understands that any requests for an extension of the period of performance for an award of less than $25,000 will be approved automatically for up to a total of two additional years, pursuant to 34 U.S.C. 10152(f) and in accordance with the program solicitation associated with this award.

Any request for an extension of the period of performance beyond a four-year award period will require approval, and the approval (if any) will be at the discretion of the Director of BJA.

Condition 65
Withholding of funds for Required certification from the chief executive of the applicant government

The recipient may not expend or draw down any award funds until the recipient submits the required "Certifications and Assurances by the Chief Executive of the Applicant Government," properly-executed (as determined by OJP), and an Award Condition Modification has been issued to remove this condition.

Condition 66
Withholding of funds for Memorandum of Understanding

The recipient may not expend or draw down any award funds until OJP has reviewed and approved the Memorandum of Understanding (MOU), and an Award Condition Modification has been issued to remove this condition.

Condition 67
NEPA Environmental Assessment - Withholding

The recipient agrees not to expend or draw down any award funds until the program office has verified that the recipient has submitted all necessary documentation required to comply with the Department of Justice Procedures for Implementing the National Environmental Policy Act found at 28 CFR Part 61 and an Award Condition Modification (ACM) has been issued removing this condition.

Condition 68
The recipient agrees to comply with all Federal, State, and local environmental laws and regulations applicable to the development and implementation of the activities to be funded under this award.

Environmental Assessment (EA): The recipient agrees and understands that funded activities (whether conducted by the recipient or subrecipients or contractors) may require the preparation of an EA as defined by the Council on Environmental Quality's Regulations for implementing the Procedural Provisions of the National Environmental Policy Act (NEPA), found at 40 CFR Part 1500. An EA is a concise public document that briefly provides sufficient analysis for determining whether to prepare an environmental impact statement (EIS) or a finding of no significant impact for the proposed activity. If in completing an EA for a proposed activity, potential adverse environmental impacts are identified, the EA will serve as a vehicle for developing either alternative approaches or mitigation measures for avoiding or reducing the identified adverse environmental impacts.

Modifications: Throughout the term of this award, the recipient agrees that for any activity that is the subject of a completed EA, it will inform BJA of-- (1) any change(s) that it is considering making to the previously assessed activity that may be relevant to environmental impact; or (2) any proposed new activities or changed circumstances that may require assessment as to environmental impact, such as new activities that involve the use of chemicals or involve construction or major renovation. The recipient will not implement a proposed change or new activity until BJA, with the assistance of the recipient, has determined whether the proposed change or activity (or changed circumstances) will require additional review under NEPA. Approval for implementation will not be unreasonably withheld as long as any requested modification(s) is consistent with eligible program purposes and found acceptable under a BJA-conducted environmental impact review process.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Award Acceptance

Declaration and Certification to the U.S. Department of Justice as to Acceptance

By checking the declaration and certification box below, I--

A. Declare to the U.S. Department of Justice (DOJ), under penalty of perjury, that I have authority to make this declaration and certification on behalf of the applicant.

B. Certify to DOJ, under penalty of perjury, on behalf of myself and the applicant, to the best of my knowledge and belief, that the following are true as of the date of this award acceptance: (1) I have conducted or there was conducted (including by applicant's legal counsel as appropriate and made available to me) a diligent review of all terms and conditions of, and all supporting materials submitted in connection with, this award, including any assurances and certifications (including anything submitted in connection therewith by a person on behalf of the applicant before, after, or at the time of the application submission and any materials that accompany this acceptance and certification); and (2) I have the legal authority to accept this award on behalf of the applicant.

C. Accept this award on behalf of the applicant.

D. Declare the following to DOJ, under penalty of perjury, on behalf of myself and the applicant: (1) I understand that, in taking (or not taking) any action pursuant to this declaration and certification, DOJ will rely upon this declaration and certification as a material representation; and (2) I understand that any materially false, fictitious, or fraudulent information or statement in this declaration and certification (or concealment or omission of a material fact as to either) may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. §§ 10271-10273), and also may subject me and the applicant to civil penalties and administrative remedies under the federal False Claims Act (including under 31 U.S.C. §§ 3729-3730 and/or §§ 3801-3812) or otherwise.

Agency Approval

Title of Approving Official	Name of Approving Official	Signed Date And Time
Acting Assistant Attorney General	Brent J. Cohen	12/2/24 11:43 AM

Authorized Representative

[X]

Entity Acceptance

Title of Authorized Entity Official
Police Chief

Name of Authorized Entity Official
Carlos Acosta

Signed Date And Time
1/2/2025 4:05 PM

Docusign Envelope ID: A8A5B313-BA8E-4179-8308-2CEF54AF9C43

MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF SALINAS AND COUNTY OF MONTEREY

2024 LOCAL SOLICITATION:
EDWARD BYRNE MEMORIAL
JUSTICE ASSISTANCE GRANT (JAG) PROGRAM

RECITALS

This Agreement is made and entered into this July 1, 2025, by and amongst the **City of Salinas** and the **County of Monterey**, in support of the parties' FY 2024 Local Solicitation award for an Edward Byrne Memorial Justice Assistance Grant (JAG) from the Bureau of Justice Assistance (BJA), U.S. Department of Justice.

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party; and

WHEREAS, each governing body finds that the performance of the Agreement is in the best interest of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement; and

WHEREAS, the City of Salinas and County of Monterey are to receive a disparate allocation of JAG funds in the total amount of $74,970; and

WHEREAS, the City of Salinas and County of Monterey have submitted a joint application for the aggregate of funds to be allocated to them, specifying the amount of the funds that are to be distributed to each of them, and the purposes for which the funds will be used;

NOW, THEREFORE, the City of Salinas and County of Monterey agree as follows:

TERMS

1. Application for JAG Funds. The City of Salinas and County of Monterey are certified by BJA as disparate and submitted a joint application on October 16, 2024, for the aggregate of funds to be allocated to them, specifying the amount of the funds that are to be distributed to each of them, and the purposes for which the funds will be used.

2. Federal Award and Subrecipient Information. The City of Salinas has approved for the Federal award as indicated below.

- Federal Award Identification: 2024 BJA FY 24 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Solicitation
- Subrecipient Name: County of Monterey
- Subrecipient's DUNS/UEI Number: JKHSNNJ5H3Y5
- Federal Award Identification Number (FAIN): 15PBJA-24-GG-05174-JAGX
- Federal Award Date: 12/05/2024

Docusign Envelope ID: A8A5B313-BA8E-4179-8308-2CEF54AF9C43

- Subaward Period of Performance Start and End Date: 10/01/2023 – 09/30/2027
- Amount of Federal Funds Obligated in this agreement: $74,970
- Total Amount of Federal Funds Obligated to Subrecipient: $19,128
- Total Amount of the Federal Award: $74,970
- Federal Award Project Description:
  The Edward Byrne Memorial Justice Assistance Grant (JAG) Program allows states and units of local government, including tribes, to support a broad range of activities to prevent and control crime based on their own state and local needs and conditions. Grant funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, including for any one or more of the following program areas: 1) law enforcement programs; 2) prosecution and court programs; 3) prevention and education programs; 4) corrections and community corrections programs; 5) drug treatment and enforcement programs; 6) planning, evaluation, and technology improvement programs; and 7) crime victim and witness programs (other than compensation) and 8) mental health programs and related law enforcement and corrections programs, including behavioral programs and crisis intervention teams.

  This JAG award will be used to support criminal justice initiatives that fall under one or more of the allowable program areas above. Funded programs or initiatives may include multijurisdictional drug and gang task forces, crime prevention and domestic violence programs, courts, corrections, treatment, justice information sharing initiatives, or other programs aimed at reducing crime and/or enhancing public/officer safety.

2. Allocation of JAG Funds. The City of Salinas and County of Monterey agree to apportion the total Local Solicitation JAG award of **$74,970**, in the following amounts:

City of Salinas, Salinas Police Department	$ 55,842
County of Monterey, Sheriff's Department	$ 19,128

3. Fiscal Agent for Receipt and Distribution of JAG Funds. The City of Salinas shall be the Fiscal Agent for the receipt of JAG funds, and as Fiscal Agent, shall be responsible for the oversight of the administration and distribution of the JAG funds.

4. Authorized Uses and Grant Requirements of JAG Funds. The City of Salinas and County of Monterey agree to develop individualized spending plans as to each party's respective grant allocation. The City of Salinas plans to use JAG funds to purchase License Plate Readers (LPRs) to enhance capabilities to investigate and solve a variety of crimes. Monterey County plans to use JAG funds to purchase new laptops and associated accessories for the Sheriff's Department Patrol Field Training Officers, as well as screen protectors for the CF33 tablets installed in Patrol vehicles. Spending plan modifications are allowable if approved by the Office of Justice Programs. All parties to this Agreement, whether the actual grantee (the City of Salinas) or a subgrantee (the County of Monterey) shall comply with all requirements set forth in the 2024 Local Solicitation: Edward Byrne Memorial Justice Assistance Grant (JAG) Program and mandatory award terms and conditions set for by the Office of Justice Programs.

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5. Reporting Requirements of JAG Funds. Each party agrees to meet the reporting requirements of the JAG grant program, which requires detailed reporting, including reporting on subawards, not later than thirty calendar days after the end of each calendar quarter. In order for the Fiscal Agent to comply with the reporting requirements of the JAG program, all parties shall provide a quarterly report to the Fiscal Agent no later than twenty calendar days after the end of each calendar quarter.

6. Establishment of Trust Fund(s). As Fiscal Agent for the receipt and distribution of JAG funds, the City of Salinas shall establish a trust fund in which to deposit the JAG funds. At the City of Salinas' discretion, the trust fund may or may not be an interest bearing account. The County of Monterey shall also establish a trust fund in which to deposit funds if they elect to receive JAG funds in advance.

7. Term of Agreement. This Agreement shall commence on October 1, 2023 and shall remain in full force and effect through the full appropriation of 2024 JAG funds.

8. Administrative Costs. The City of Salinas agrees to manage the Local Solicitation JAG funds, including submitting quarterly financial and progress reports as required by BJA, at no cost to the grant.

9. Limits on Liability. Nothing in the performance of this Agreement shall impose any liability for claims against the City of Salinas and County of Monterey other than claims for which liability may be imposed by the California Torts Claims Act; further, each party to this Agreement shall be responsible for its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

10. Third Party Rights under Agreement. The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

11. Rights and Obligations under Agreement. By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

12. Termination. Unless otherwise terminated as provided in this Agreement, this Agreement will continue in effect through the full period of appropriation of 2024 Local Solicitation JAG funds.

13. Notices. Unless otherwise provided in this Agreement, any notice, request, consent, instruction, or other document to be given under this Agreement by the City of Salinas or County of Monterey to each other shall be in writing and shall be effective on the date received, as follows:

City of Salinas:
René Mendez, City Manager
City of Salinas
200 Lincoln Avenue
Salinas, CA 93901

County of Monterey:
Sonia M. De La Rosa, County Administrative Officer
County of Monterey
168 W. Alisal St., 3rd floor
Salinas, CA 93901

Docusign Envelope ID: A8A5B313-BA8E-4179-8308-2CEF54AF9C43

14. Entire Agreement. This Agreement constitutes the entire agreement between the City of Salinas and County of Monterey relating to the 2024 Local Solicitation JAG funds and as the final expression of the parties with respect to the included terms and conditions, and as a complete and exclusive statement of the terms and conditions of the agreement. The City of Salinas and County of Monterey acknowledge that any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force unless it is in writing and signed by the City of Salinas and County of Monterey.

15. Modifications. No amendments to or changes to this Agreement may be made, except by a writing expressly authorized and signed by the City of Salinas and County of Monterey.

16. Severability. It is the intent of the parties that in the event that any provision herein is held to be invalid, the remaining provisions shall continue in full force and effect unless enforcement of this Agreement so modified would frustrate the purposes of this Agreement.

17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the City of Salinas and County of Monterey have executed this Agreement on the date first written above.

City of Salinas

_____
René Mendez, City Manager

APPROVED AS TO FORM:

_____
Christopher A. Callihan, City Attorney

ATTEST:

_____
Patricia Barajas, City Clerk

County of Monterey

_____
Sonia M. De La Rosa
County Administrative Officer

Docusign Envelope ID: A8A5B313-BA8E-4179-8308-2CEF54AF9C43

APPROVED AS TO FORM:

Signed by:
Kelly L. Donlon
1FFF9CC4BAC44AF...

Kelly L. Donlon
Chief Assistant County Counsel

Docusign Envelope ID: 5A59C94A-BD21-4CE7-B05C-E99CECD0BC3B

RESOLUTION NO. 23302 (N.C.S.)

A RESOLUTION ACCEPTING THE 2024 JUSTICE ASSISTANCE GRANT AND THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING RELATED TO THIS FUNDING

WHEREAS, the United States Department of Justice, Bureau of Justice Assistance (BJA) has established the annual Edward Byrne Memorial Justice Grant (JAG) Program to assist local governments in their efforts to prevent and to control crime and to improve the criminal justice system; and

WHEREAS, the BJA has determined that the City of Salinas and other local jurisdictions are jointly eligible to apply for and to receive funding through the annual JAG Program, which will allow the City and those other jurisdictions to support a broad range of activities to prevent and to control crime based on their own local needs and conditions; and

WHEREAS, the total grant allocation is $74,970, with the City of Salinas portion of $55,842 and the County of Monterey portion, as a disparate agency, of $19,128; and

WHEREAS, the City and the County of Monterey are obligated to enter into a Memorandum of Understanding in order to maintain their eligibility to apply for and to receive JAG Program funds.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the City Manager and the Chief of Police, or their designees, to accept funding in the amount of $74,970, including the execution of all documents necessary to effectuate the grant; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the establishment of the 2024 JAG expense appropriation and corresponding revenue budget of up to $74,970 to support grant activities; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the City Manager to enter into a Memorandum of Understanding between the City of Salinas and the County of Monterey for the 2024 Edward Byrne Memorial Justice Assistance Grant.

PASSED AND APPROVED this 1st day of July 2025 by the following vote:

AYES: Councilmembers Barajas, Barrera, D'Arrigo, De La Rosa, Salazar, Sandoval and Mayor Donohue

NOES: None

ABSENT: None

ABSTAIN: None

Docusign Envelope ID: 5A59C94A-BD21-4CE7-B05C-E99CECD0BC3B

APPROVED:

Signed by:
Dennis Donohue
580C799697274E5...

Dennis Donohue, Mayor

ATTEST:

DocuSigned by:
Patricia Barajas
5BE31EC636A6432...

Patricia M. Barajas, City Clerk

Introduced: 8/8/2025

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve the Radio Site Lease Agreement Template between Lessor and the County of Monterey (Lessee) for the rental of radio communication sites as requested by the County; and
b. Authorize the Chief Information Officer or his designee to execute the lease template, including minor alterations that do not substantially alter the lease terms, subject to the review and approval of the Office of the County Counsel-Risk Management.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve the Radio Site Lease Agreement Template between Lessor and the County of Monterey (Lessee) for the rental of radio communication sites as requested by the County; and
b. Authorize the Chief Information Officer or his designee to execute the lease template, including minor alterations that do not substantially alter the lease terms, subject to the review and approval of the Office of the County Counsel-Risk Management.

SUMMARY:
The Information Technology Department (ITD) oversees radio communications sites throughout the County of Monterey. The County utilizes locations requiring formal agreements to use locations for strategic public safety radio equipment. A radio site lease agreement template will expedite the contract process and standardize the leases where the County rents from the landowners.

DISCUSSION:
ITD has created a Radio Site Lease Template to facilitate the lease process for the County. The County utilizes private properties and government locations to install equipment that provide the best radio communications coverage for the County. The lease template provides a formal agreement with set terms approved by counsel that can be executed expeditiously. In addition, the approval of this template will minimize the need for non-standard agreements and continual Board of Supervisors approval. The lease template covers rights reserved by the County, disposition of improvements made to County sites, and County insurance and indemnification requirements.
The Chief Information Officer recommends that the Board approve ITD's use of this radio site lease template for future agreements where the County uses private property or other space for radio communication equipment. ITD recommends that these authorizations include the authority to make minor alterations to the radio site lease template where needed. Major or significant changes to the lease template will be brought to the Board for approval.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

County Counsel has reviewed and approved the Radio Site Lease Agreement template. Public Works, Facilities, & Parks (PWFP) provided the tax language and reviewed the lease template. Auditor-Controller has reviewed this agreement.

FINANCING:
There is no fiscal impact for approving this template.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
____ Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

____ Administrative

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:
Radio Site Lease Agreement Template

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Approve the Radio Site Lease Agreement Template between Lessor and the County of Monterey (Lessee) for the rental of radio communication sites as requested by the County; and
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b. Authorize the Chief Information Officer or his designee to execute the lease template, including minor alterations that do not substantially alter the lease terms, subject to the review and approval of the Office of the County Counsel-Risk Management.

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ITD has created a Radio Site Lease Template to facilitate the lease process for the County. The County utilizes private properties and government locations to install equipment that provide the best radio communications coverage for the County. The lease template provides a formal agreement with set terms approved by counsel that can be executed expeditiously. In addition, the approval of this template will minimize the need for non-standard agreements and continual Board of Supervisors approval. The lease template covers rights reserved by the County, disposition of improvements made to County sites, and County insurance and indemnification requirements.
The Chief Information Officer recommends that the Board approve ITD's use of this radio site lease template for future agreements where the County uses private property or other space for radio communication equipment. ITD recommends that these authorizations include the authority to make minor alterations to the radio site lease template where needed. Major or significant changes to the lease template will be brought to the Board for approval.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
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Works, Facilities, & Parks (PWFP) provided the tax language and reviewed the lease template. Auditor-Controller has reviewed this agreement.

FINANCING:
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BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
____ Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

____ Administrative

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:
Radio Site Lease Agreement Template

RADIO COMMUNICATION SITE LEASE AGREEMENT

THIS RADIO COMMUNICATION SITE LEASE AGREEMENT (hereinafter "Agreement") is made and entered into by _____, (hereinafter "LESSOR") with an address at _____, and the County of Monterey, a political subdivision of the State of California (hereinafter "LESSEE"), with an address at 168 W. Alisal St. Salinas, CA 93901.

In consideration of the mutual covenants contained herein and intending to be legally bound hereby, LESSOR and LESSEE hereby agree as follows:

1. PROPERTY, PREMISES, LICENSE TO INSTALL, MAINTAIN AND OPERATE EQUIPMENT AND ACCESS TO PROPERTY:

(A) Property. LESSOR is the owner, LESSEE, manager, or operator of that certain real property in the County of Monterey, State of California, described as _____, as outlined in Exhibit A attached hereto and Incorporated herein by reference (hereinafter "Property").

(B) Premises, License to Install, Maintain and Operate Equipment. LESSOR hereby grants to LESSEE a license to install, maintain, and operate the radio communication Equipment (as such term is defined in Section 2 below) as shown in the "Site Plan" attached hereto as Exhibit B and described in the "Equipment List" attached hereto as Exhibit C. Such license is restricted exclusively to the installation, maintenance, and operation of the Equipment consistent with the specifications and in the locations identified in Exhibit B and Exhibit C (the "Premises").

(C) Access to Property. Subject to the requirements as set forth in Section 3 and Section 6 below, LESSEE shall have the non-exclusive right for pedestrian and vehicular ingress to and egress from the Property over the designated access area to the Property as described in Exhibit A, seven (7) days a week, twenty-four (24) hours a day, for the purposes of installing, maintaining, operating and repairing the Equipment, together with a license to install, maintain and operate and repair utility lines, wires, cables, conduits, lines, pipes or any other means of providing utility service, including electric and telephone service, to the Premises. LESSOR shall maintain the access area. LESSEE shall obtain advance written clearance from LESSOR for any underground excavation or construction.

(D) Subject to Permit Limitations. The LESSOR's obligations to provide LESSEE a license and access are subject to any limitations thereon imposed by the LESSEE's planning and CEQA documents, the Federal Communication Commission (FCC), Monterey County Planning and Building Department, the Regional Water Quality Control Board, and the Local Enforcement Agency or any other regulatory authority with jurisdiction over the Property or telecommunications facilities.

2. PERMITTED USE:

Subject to the terms of this Agreement, LESSEE may use the Premises at the Property to install, operate and maintain the radio communications equipment and antennae and other appurtenant and incidental equipment, including, but not limited to, LESSEE's cables, wires, conduits, pipes, radios, radio shelter or cabinet, generator, and related transmission and reception hardware and software, and other personal property (hereinafter the "Equipment"), and to install, maintain, replace and repair wires, cables, conduits and pipes from the Premises to the nearest appropriate utilities provider. All such Equipment shall be installed above ground: wires, cables, conduits, and pipes necessary to connect to utility providers (including communications provider fiber optic cables) may be installed below ground in accordance with Paragraph l above. LESSEE shall transmit and receive only within the FCC-licensed frequency ranges and at the power levels specified herein. All Equipment to be installed under this Agreement shall be clearly marked by LESSEE with its identifying information which shall include the identity and phone number of LESSEE's emergency contact, FCC license number, and the transmitting and receiving frequencies of the Equipment. LESSEE shall maintain all such Equipment and related improvements in good condition and repair.

3. IMPROVEMENTS ON THE PREMISES, PERFORMANCE OF WORK AND UTILITIES:

(A) Initial Installation and Maintenance of Equipment. LESSEE accepts the Premises in an "as is" condition. LESSEE shall have the right to finance and construct approved Equipment and related improvements on the Premises at LESSEE's sole cost and expense. LESSOR hereby consents to and approves of LESSEE's initial installation of Equipment at the Premises, as depicted on Exhibit B and Exhibit C attached hereto, including the installation of an entry port on the shelter. LESSEE agrees to provide to LESSOR structural analysis, equipment lists, material lists, CAD drawings, and any other technical report in its possession as requested by the LESSOR. The site currently operates under a stormwater pollution and prevention plan. Therefore, this project shall conform to all legal, regulatory, and permit requirements, beginning with construction and extending to project termination when all equipment is removed. Following the construction and initial installation of LESSEE's Equipment, LESSEE may thereafter, at its sole cost and expense, perform construction, maintenance, repairs, and like-for-like replacements of its Equipment, as necessary and appropriate for its ongoing business, subject to the terms of this Agreement, including, without limitation, this Section 3.

(B) Modifications to Equipment. LESSEE shall apply to make Modifications (as such term is defined below) to its Equipment by submitting all plans to LESSOR for LESSOR's prior approval, including geotechnical reports, foundation recommendations, structural analysis, specifications, working drawings and other information reasonably required by the LESSOR in connection with a proposed Modification, and LESSEE will be liable for the cost thereof. Any approved Modification shall be evidenced by an amendment to this Agreement. For the purposes

of this Agreement, a "Modification" shall mean: (i) any change (including upgrade) to the Equipment as specified herein; (ii) any alterations in the frequency ranges or Federal Communications Commission ("FCC") licensed allocation or power levels; (iii) any addition of Equipment or occupation of additional space, or relocation of Equipment on the tower or on the ground, or relocation of ground space or equipment shelter space; or (iv) any repair to the Equipment that affects tower loading capacity.

(C) LESSOR's Improvements. LESSOR retains the right to make any improvements to the Premises and Property as reasonably deemed necessary by the LESSOR. Said improvements shall not be inconsistent with the LESSEE's use of the Premises. Nothing contained in this Agreement shall be deemed or construed in any way to limit the LESSOR's authority to exercise any right or power concerning the utilization of the Premises and Property. LESSEE's use of the Premises shall be subordinate to the LESSOR's use of the Property. LESSOR shall notify LESSEE of any intended use of the Property by the LESSOR which may be reasonably expected to affect LESSEE's use of the Premises and any such use shall not be inconsistent with nor interfere with LESSEE's use of the Premises. Such notification shall be provided by the LESSOR to the LESSEE at least 5 business days in advance of activity that may impact or interfere with LESSEE's use of the Premises.

(D) Utilities. LESSEE shall pay for all electricity and other utilities it uses. If separate metering is unavailable, LESSEE shall pay a reasonable pro rata share of such costs representing its usage.

(E) Co-Location Sublease. Subject to space availability and written approval of the LESSOR, the LESSEE may sublease space on the communications tower and Premises to future sub-lessees. LESSOR has no independent right to sublease space on the tower or premises. LESSEE will ensure that the respective sub-lessee's telecommunication operations are consistent with the standards set forth in this Agreement and that appropriate governmental approvals are received. LESSEE shall provide a notice to LESSOR of any and all subleases, including name, proof of insurance, and other salient data as may be required by LESSOR to ensure the terms of this lease have been met, at a minimum once a year or upon demand by LESSOR. LESSOR is entitled to fifty percent (50%) of net revenue received from any new tenants on leased Premises. Net revenue is defined as the amount paid by a new tenant to LESSEE minus any expenses incurred by LESSEE for site maintenance or site-related expenses.

4. GOVERNMENTAL APPROVALS:

It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining, after the execution date of this Agreement, all of the certificates, permits and other approvals relating to the presence and operation of the Equipment at the Premises (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities, including all applicable FCC requirements. This requirement includes any necessary construction, building or use permits and compliance with any progress inspections that may be

required by any regulatory body. In the event that any of such applications for such Governmental Approvals should be finally rejected through no fault of LESSEE or any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority through no fault of LESSEE so that LESSEE in its sole discretion, will be unable to use the Premises for its intended purposes or the LESSEE determines that the Premises are no longer technically compatible for its intended use, LESSEE shall have the right to terminate this Agreement. Notice of the LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by the LESSEE. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties, and indemnities made by each party to the other hereunder. Otherwise, all the parties shall have no further obligations, including the payment of money, to each other.

5. INTERFERENCE:

(A) Interference to LESSEE's Operations. LESSOR agrees that neither LESSOR nor LESSOR's other users of the Property or property adjacent to the Property controlled or owned by LESSOR, whose communications equipment is installed or modified subsequently to LESSEE's Equipment ("Subsequent Use"), shall permit their communications equipment to interfere with LESSEE's permitted transmissions or reception. In the event that LESSEE experiences Radio Frequency ("RE') interference caused by such Subsequent Use, LESSEE shall notify LESSOR in writing of such RF interference and LESSOR shall cause the party whose Subsequent Use is causing said RF interference to reduce power and/or cease operations in order to correct and eliminate such RF interference within seventy-two (72) hours after LESSOR's receipt of such notice. In the event LESSOR is notified of any RF interference experienced by LESSEE alleged to be caused by a Subsequent Use, the entity responsible for the Subsequent Use shall be obligated to perform (or cause to be performed) whatever actions are commercially reasonable and necessary at no cost or expense to LESSEE to eliminate such RF interference. LESSOR further agrees that any licenses or other agreements with third parties for a Subsequent Use will contain provisions that similarly require such users to correct or eliminate RF interference with LESSEE's operation of its Equipment following receipt of a notice of such interference.

6. AUTHORIZED PERSONS, NOTICE RELATING TO ACCESS, PERMITS AND APPROVALS:

(A) Authorized Persons: Safety of Personnel. LESSEE's right of access shall be limited to authorized employees, contractors, or subcontractors of LESSEE or persons under their direct supervision.

(B) Permits, Authorizations and Licenses. LESSEE shall be solely responsible for obtaining and maintaining, at its own expense, all permits, authorizations, and licenses associated with its

occupancy of Premises at the Property and utilization of Equipment thereon and shall promptly provide copies thereof to LESSOR.

(C) Zoning Approval. LESSEE must provide LESSOR with copies of any zoning application or amendment that LESSEE submits to the applicable zoning authority in relation to its installation or modification of Equipment at the Property. LESSOR reserves the right to require reasonable revisions to any such zoning application or amendment. LESSOR also reserves the right, prior to any decision by the applicable zoning authority, to approve or reject any conditions of approval, limitations, or other obligations that would apply to the owner of the Property or any existing or future Property licensee, as a condition of such zoning authority's approval; provided, however, LESSOR shall not unreasonably withhold or delay approval of any such conditions of approval, limitations or other obligations. LESSEE agrees that any Modification or change in use of the Premises, as approved herein, may require an amendment hereto which may entitle LESSOR to additional compensation. LESSEE shall be solely responsible for all costs and expenses associated with (i) any zoning application or amendment submitted by LESSEE, (ii) making any improvements or performing any other obligations required as a condition of approval with respect to same and (iii) any other related expenses.

7. LEASE FEE AND OTHER CHARGES:

For the rights granted under this Agreement, LESSEE shall pay to LESSOR a fee (hereinafter "Lease Fee") in the amount of (insert amount) annually for the Equipment on the Property as detailed in Exhibit B and Exhibit C. LESSEE shall pay the first Lease Fee within sixty (60) days after the Commencement Date (as such term is defined in Section 8 below). The Lease Fee shall be made to (need not be sent certified): _____. For all subsequent years during the lease term, the LESSOR shall provide a written invoice to LESSEE prior to each anniversary of the Commencement Date. The Lease Fee shall be paid within thirty (30) days after LESSEE's receipt of a written invoice from LESSOR; provided, however, LESSOR's failure to submit any invoice in accordance herewith shall not be construed as a waiver of any right thereto.

8. TERM OF AGREEMENT:

The term of this Lease ("Lease Term") shall be for (insert term years), commencing on _____ ("Lease Commencement") and ending on _____ with rights of extension of the Lease Term as set forth in Paragraph 10 below.

9. FISCAL OUT CLAUSE:

Notwithstanding any other provisions of this Agreement, LESSEE may, at its sole option, terminate this Agreement by providing at least thirty (30) days prior written notice to LESSOR. Such termination shall be without penalty to LESSEE. Such right of termination shall not be construed so as to permit LESSEE to terminate this Agreement in order to lease other premises for a similar purpose in the same general area.

10. EXTENSIONS:

This Agreement may be extended for (insert the quantity of amendments allowed) additional (insert years of extension term) ("First Extended Term"), and upon the expiration of the First Amended Term, the LESSEE may renew the Lease for a second additional (insert years term) ("Second Extended Term"). LESSEE shall give LESSOR advance written notice of its intent to renew ninety (90) days prior to the expiration of the initial Lease Term or the First Extended Term.

11. HOLDOVER:

LESSEE shall remove its Equipment from the Property prior to the expiration or termination of this Agreement. Should LESSEE's Equipment remain at the Property after the expiration or termination of this Agreement, no tenancy or interest in the Property shall result, but this "holding over" shall be an unlawful detainer, and all such Equipment shall be subject to immediate removal. LESSEE shall, upon demand, pay to LESSOR, as a holdover fee, a sum equal to one-eighth (1/8) of the annual Lease Fee (based on the amount of the Lease Fee at the time of said expiration or termination for each month during which LESSEE shall "holdover' at the Property after the expiration or termination of this Agreement.

12. ASSIGNMENT:

Neither this Agreement nor any rights hereunder shall be sold, transferred, or assigned by the LESSEE without the written consent of LESSOR, which consent shall not be unreasonably withheld, conditioned, or delayed, unless the assignment is to a non-governmental agency, in which case LESSOR may refuse to consent to the assignment at its reasonably exercised discretion. Any such approved assignment shall be evidenced by a form provided by LESSOR and executed by LESSOR, LESSEE, and the assignee. Notwithstanding the above, LESSEE may assign this Agreement, without written consent by LESSOR upon one hundred eighty (180) days prior written notice to LESSOR, to LESSEE's principal, or any wholly-owned subsidiary of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the FCC in which the Property is located by reason of a merger, acquisition, or other business reorganization, or to another government or quasi-government entity. LESSEE shall not share the use of its Equipment with any non-governmental third party.

13. NOTICES:

Any demand or notice which either party shall be required, or may desire, to make upon or give to the other hereunder shall be in writing and shall be delivered (i) by an established express delivery service that maintains delivery records, (ii) personally upon the other, or (iii) by prepaid certified or registered mail, return receipt requested. All notices shall be effective upon receipt or upon attempted delivery if delivery is refused. The notices shall be sent to the parties at the following addresses:

To LESSEE: County of Monterey
1590 Moffett Street
Salinas, CA 93901

w//Email Copy To: MontoyaTL@co.monterey.ca.us

To LESSOR:

w/Email Copy to:

Either party may, from time to time, designate any other address for this purpose by written notice to the other party. Either party for general communication may use telephone, email, or facsimile.

14. ACKNOWLEDGMENT OF TITLE:

It is understood and agreed that LESSEE, by the acceptance of this Agreement and by the use or occupancy of said Premises, has not acquired and shall not acquire hereafter any property rights or interest in or to said Premises (other than the leasehold interest granted herein), and LESSEE may use the Premises only as herein provided. LESSEE shall not have, nor will it obtain, any right or claim to the continued use of said Premises beyond that specifically given in this Agreement. LESSOR covenants that LESSEE, on paying the Lease Fee and performing all the terms, covenants, and conditions of this Agreement, shall peaceably and quietly have, hold, and enjoy the Premises, subject to the terms, covenants, and conditions set forth herein. LESSOR covenants that LESSOR has full power and authority to enter into and perform this Agreement and to grant the rights granted to LESSEE hereunder, subject to the terms, covenants, and conditions set forth herein.

15. REPAIRS:

LESSEE shall be responsible for all maintenance and repairs of LESSEE's Equipment and LESSEE shall keep its installation, including but not limited to fencing and screening, in good, neat, and clean condition in conformity with the standards of the local governing body regulations and the Site Rules. LESSEE shall be responsible for the timely repair of all damage to the Premises and Property caused by the negligence or willful misconduct of LESSEE, its employees, agents, or business vendors.

16. INSPECTION:

The LESSOR shall have the right at all times to enter upon said Premises to inspect the Equipment and determine if said use is to the satisfaction of LESSOR; provided, however, that

LESSOR shall not alter, adjust, move, disrupt, or otherwise affect the operation of the LESSEE's Equipment, except as LESSOR may otherwise be permitted as set forth herein. If LESSOR alters, adjusts, moves, disrupts, or otherwise affects the operation of LESSEE's Equipment during the inspection in such a manner to cause damage to LESSEE's Equipment, LESSOR shall be liable for the actual, direct damages to the Equipment.

17. INSURANCE AND INDEMNIFICATION:

(A) Insurance Requirements. LESSEE, at LESSEE'S own expense throughout the Term of this agreement, as extended, shall comply with the insurance requirements attached hereto as Exhibit E and incorporated by reference herein. In the event that LESSEE is self-insured in any or all of the aforementioned insurance areas, a letter certifying that LESSEE is lawfully self-insured shall be furnished upon request of the LESSOR prior to execution of this Agreement or during the term of the Agreement.

(B) Proof of Insurance. Upon the request of the LESSOR, the LESSEE shall deposit with LESSOR evidence of insurance or self-insurance in forms reasonably satisfactory to LESSOR, indicating compliance with the insurance provisions of this Agreement. LESSEE shall keep the insurance or self-insurance in effect throughout the Term of the Agreement and as the same may be extended.

(C) Indemnification. LESSEE, during the term hereof, shall indemnify and hold harmless the LESSOR from and against any and all claims and demands for injuries to persons or loss of life, or damage to property occurring within the Premises and arising out of the installation, operation, or maintenance of the Equipment on the Premises by the LESSEE, excepting however, such claims and demands for injuries to persons or loss of life, or damage to property, caused by acts or omissions of the LESSOR.

LESSOR, during the term hereof, shall indemnify and hold harmless the LESSEE from and against any and all claims and demands for injuries to persons, loss of life, or damage to property occurring within the Premises and arising out of the fault or negligence of the LESSOR.

18. CONDEMNATION:

If any part of the Property shall be taken under the power of eminent domain LESSOR and LESSEE shall be entitled to assert their respective claims in accordance with applicable state law.

19. CASUALTY:

In the event that the Property, or any part thereof, is damaged by fire or other casualty not caused by LESSEE, LESSOR shall have ninety (90) days from the date of damage, if the damage is less than total destruction of the Property, in which to make repairs, and one hundred

eighty (180) days from date of destruction, if the Property (including the tower structure) is destroyed, in which to replace the destroyed portion of the Property. If LESSOR fails for any reason to make such repair or restoration within the stipulated period and the damage or destruction effectively precludes LESSEE's use of the Property as authorized under this Agreement, then either party may, at its option, terminate this Agreement without further liability of the parties, as of the date of partial or complete destruction. If, for any reason whatsoever, LESSEE's use of the Property is interrupted due to casualty, in addition to the aforementioned termination right, LESSEE's sole remedy shall be abatement of the Lease Fee for the period during which LESSEE's use of the Property is interrupted. Except with regard to repair of the Property as stated in this Section 19, LESSOR shall not be responsible for any damage caused by vandalism or acts of God. In no event shall LESSOR be liable to LESSEE for damage to the Equipment or interruption or termination of LESSEE's operations caused by forces majeure or acts of God.

20. USE OF HAZARDOUS CHEMICALS:

LESSEE must inform LESSOR if it will house batteries or fuel tanks at the Property. The use of any other hazardous chemicals at the Property requires LESSOR's prior written approval. LESSEE agrees to provide LESSOR, no later than each January 15th, an annual inventory of its hazardous chemicals at the Property. Upon LESSEE'S request, LESSOR shall supply copies of any "Phase I" environmental investigation reports in its possession for the Property unless such delivery is prohibited by agreement with a third party. LESSEE may commission any "Phase l" environmental assessments at its own expense and shall provide copies of reports based on such studies to LESSOR. "Phase II" environmental assessments must be approved by LESSOR prior to initiation and a Phase II Environmental Investigation Access Agreement must be executed if LESSEE will use its contractor to perform the study. Notwithstanding the foregoing, the performance of any environmental study at the Property is subject to any restrictions in the Prime Lease.

21. CONDITION OF PREMISES UPON TERMINATION:

Within thirty (30) days after termination or expiration of this Agreement, LESSEE at its sole cost and expense, shall remove all of LESSEE's Equipment from the Premises to the extent reasonably requested by LESSOR and restore the Premises as nearly as possible to the condition in which it existed immediately prior to the Commencement Date, including, but not limited to, removing rooftop mounts and tie downs (if applicable), electrical conduits, cabling and switches, whether underground or above-ground, reasonable wear and tear excepted.

22. REAL ESTATE TAXES:

LESSOR shall pay as additional rent any documented increase in real estate taxes levied against the leased Property which are directly attributable to the improvements constructed by LESSOR. LESSEE shall provide to LESSOR a copy of any notice, assessment or billing relating to real

estate taxes for which LESSOR is responsible under this Agreement within sixty (60) days of receipt of the same by LESSEE. LESSOR shall have no obligation to make payment of any real estate taxes until LESSOR has received the notice, assessment or billing relating to such payment as set forth in the preceding sentence. In the event LESSEE fails to provide to LESSOR a copy of any real estate tax notice, assessment, or billing within the sixty (60) day period set forth herein, LESSOR shall be relieved of any obligation or responsibility to make payment of real estate taxes referred to in the notice, assessment or billing which was not timely delivered by LESSEE to LESSOR.

LESSOR shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge, or seek modification of any real estate tax assessment or billing for which LESSOR is wholly or partly responsible for payment under this Agreement. LESSEE shall reasonably cooperate with LESSOR in filing, prosecuting, and perfecting any appeal or challenge to real estate taxes as set forth in the preceding sentence, including but not limited to executing any consent to appeal or other similar document.

23. DEFAULT, REMEDIES AND WAIVER OF CONSEQUENTIAL DAMAGES:

Notwithstanding any other provision to the contrary contained herein in this Agreement, in the event there is a default by the LESSEE with respect to any of the provisions of this Agreement or its obligations under it, then the LESSOR shall give LESSEE written notice of such default. After receipt of such written notice, the LESSEE shall have ten (10) days to cure any monetary default and thirty (30) days to cure any non-monetary default (i.e., a default not related to timeliness of payments), provided that such thirty (30) day period will be extended as required if the nature of the cure is such that it reasonably requires more than thirty (30) days and the LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. The LESSOR may not maintain any action or effect any remedies for default against the LESSEE unless and until the LESSEE has failed to cure the same within the time periods provided in this Section 23.

In the event that LESSEE fails to cure a default within 30 days or as otherwise provided in this section, LESSOR may take possession of the Premises and remove all LESSEE improvements from the Premises in accordance with applicable laws. LESSOR shall invoice LESSEE, which invoice shall be accompanied by all supporting documentation for such time and costs and for any reasonable staff time related to removal of equipment resulting from default after LESSEE's receipt of written notice and opportunity to cure as defined in this section.

24. GOVERNING LAW AND VENUE:

The laws of the State of California, regardless of conflict of law principles, shall govern this

Agreement. The duties and obligations of the parties created hereunder are performable in Monterey County, and such county shall be the venue for any action or proceeding that may be brought or arise by reason or connection with this Agreement.

25. RECORDING:

LESSOR agrees to execute a memorandum of this Agreement that LESSEE may record with the appropriate Recording Officer using the format identified as Exhibit D, and LESSEE shall pay all costs associated with recording if there are any. The date set forth in the memorandum of this Agreement is for recording purposes only and bears no reference to Lease Fee payments. In the event that this Agreement is terminated prior to the end of its term, LESSEE grants to LESSOR a power of attorney to execute and record any instrument necessary to evidence said termination.

26. SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT:

(A) Subordination. Subject to Section 26(B) below, this Agreement and LESSEE's rights hereunder are and will be subject and subordinate in all respects to: (i) any and all mortgages, deeds of trust or other deeds, and any similar security agreements that encumber the Property to secure the debt of LESSOR (collectively, "Security Instrument") from LESSOR in favor of any and all lenders, creditors, indenture trustees and similar parties (collectively, "Lender") insofar as the Security Instrument affects the property of which the Property forms a part; (ii) any and all advances to be made thereunder; and (iii) any and all renewals, extensions, modifications, consolidations, and replacements thereof. Said subordination is made with the same force and effect as if the Security Instrument had been executed prior to the execution of this Agreement.

(B) Non-Disturbance. The subordination described in Section 26(A) is conditioned upon the agreement by Lender that, so long as this Agreement is in full force and effect and LESSEE is not in material default (beyond applicable notice and cure periods) hereunder, Lender, for itself and on behalf of its successors in interest, and for any person acquiring title to LESSOR's interest in the real property of which the Property forms a part (an "Acquiring Party") through a Conveyance (as such term is defined in Section 26(C) below) agrees that the right of possession of the Property and all other rights of LESSEE pursuant to the terms of this Agreement shall remain in full force and effect and shall not be affected or disturbed by Lender in the exercise of its rights under the Security Instrument.

(C) Liability of Parties. LESSEE and LESSOR agree (i) that any exercise by a Lender of its rights under the Security Instrument, including a foreclosure, sheriffs or trustee's sale under the power of sale contained in the Security Instrument, the termination of any superior lease of the Property and any other transfer, sale or conveyance of the LESSOR's interest in the property of which the Property forms a part under peril of foreclosure or similar remedy, including, without limitation to the generality of the foregoing, an assignment or sale in lieu of foreclosure or similar remedy ("Conveyance") shall be made subject to this Agreement and the rights of LESSEE hereunder and (ii) that the parties shall be bound to one another and have the same

remedies against one another for any breach of this Agreement as LESSEE and LESSOR had before such Conveyance; provided, however, that Lender or any Acquiring Party shall not be liable for any act or omission of LESSOR or any other predecessor-in-interest to Lender or any Acquiring Party. LESSEE agrees that Lender may join LESSEE as a party in any action or proceeding to foreclose, provided that such joinder is necessary to foreclose on the Security Instrument and not for the purpose of terminating this Agreement.

(D) Attornment. LESSEE agrees that, upon receipt by LESSEE of notice to attorn from Lender or any Acquiring Party, along with reasonable supporting documentation, (i) LESSEE shall not seek to terminate this Agreement and shall remain bound under this Agreement, and (ii) LESSEE shall attorn to, accept and recognize Lender or any Acquiring Party as the licensor or lessor hereunder pursuant to the provisions expressly set forth herein for the then remaining balance of the Term of this Agreement and any extensions or expansions thereof as made pursuant hereto. LESSEE agrees, however, to execute and deliver, at any time and from time to time, upon the request of Lender or any Acquiring Party, any reasonable instrument which may be necessary or appropriate to evidence such attornment.

27. COMPLIANCE WITH LAWS:

LESSEE shall maintain and operate its Equipment during the term of this Agreement in compliance with all present and future rules and regulations of any local, State, or Federal authority having jurisdiction with respect hereto, including, without limitation, the rules and regulations of the FCC, the Federal Aviation Administration (the "FAA"), and the Occupational Safety and Health Administration ("OSHA").

28. RF EMISSIONS COMPLIANCE:

LESSEE is aware of its obligation to comply with all applicable rules and regulations of the FCC pertaining to RF emissions standards, as well as applicable rules and/or regulations of any other federal or state agency (including but not limited to OSHA) having jurisdiction over the installation, operation, maintenance, and/or working conditions involving RF emissions and/or safety and work standards performed on or near communication towers and antennas. LESSEE agrees to be solely responsible for compliance with all applicable FCC and other governmental requirements with respect to the installation, operation, and maintenance of its Equipment and for repairs to its Equipment at the Premises. LESSEE will immediately remedy its operations to comply with such laws, rules, and regulations as they apply to its operations and/or the operations of all licensed users at the Premises to comply individually and in the aggregate with all applicable FCC and other governmental RF emissions standards.

29. RF EXPOSURE:

LESSEE agrees to reduce power or suspend the operation of its Equipment if necessary and upon reasonable notice to prevent exposure of workers or the public to RF radiation in excess of the then-existing regulatory standards.

30. LIENS:

LESSEE shall keep the Premises, the Property, and any interest it or LESSOR has therein free from any liens arising from any work performed, materials furnished, or obligations incurred by or at the request of LESSEE, including any mortgages or other financing obligations, and shall discharge any such lien filed, in a manner satisfactory to LESSOR, within thirty (30) days after LESSEE receives written notice from any party that the lien has been filed.

31. WITHDRAWAL OR TERMINATION OF APPROVAL OR PERMIT:

In the event any previously approved zoning or other permit of a government entity or agency affecting the use of the Property as a communications facility is withdrawn or terminated, this Agreement shall be deemed to have been terminated effective as of the date of the termination of the permit or approval.

32. MISCELLANEOUS:

(A) Prior Agreement Superseded. This Agreement, including the exhibits attached hereto, constitutes the entire agreement and understanding between the parties and revokes and supersedes all other oral or written offers, negotiations, and other agreements between the parties concerning the subject matter contained herein.

(B) Amendments. This Agreement may be amended or modified only by an instrument in writing signed by the LESSEE and the LESSOR.

(C) Integration. This Agreement, including the exhibits, represents the entire Agreement between the LESSEE and LESSOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the LESSEE and LESSOR as of the effective date of this Agreement, which is the date of later execution.

(D) No Waiver. No provision of this Agreement will be deemed to have been waived by either party unless the waiver is in writing and signed by the party against whom enforcement is attempted. No custom or practice which may develop between the parties in the administration of the terms of this Agreement shall be construed to waive or lessen any parties' right to insist upon strict performance of the terms of this Agreement. The rights granted in this Agreement are cumulative of every other right or remedy that the enforcing party may otherwise have at law or

in equity or by statute, and the exercise of one or more rights or remedies will not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

(E) Non-exclusive Agreement. This Agreement is non-exclusive, and both LESSEE and LESSOR expressly reserve the right to contract with other entities for the same or similar services.

(F) Authority. Any individual executing this Agreement on behalf of the LESSEE or the LESSOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

(G) Successors and Assigns. Subject to any provision hereof restricting assignment or subletting by LESSEE, this Agreement shall bind the parties, their personal representatives, successors, and assigns.

(H) Severability. If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement, or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected, and each provision of this Agreement shall be deemed valid and enforceable to the fullest extent permitted by law. The parties agree to promptly renegotiate in good faith any provision held to be invalid or unenforceable under this paragraph.

(I) Time is of the Essence. Time is of the essence in each and every provision of this Agreement.

IN WITNESS WHEREOF, the hereto have executed this Agreement on the dates appearing below their respective authorized signatures.

County of Monterey:		**(fill in LESSOR info)**
By: Eric A. Chatham		By:
Chief Information Officer		
Date:		Date:
COUNTY COUNSEL		
By: Samuel Beiderwell		By:
Deputy County Counsel		
Date:		Date:
AUDITOR-CONTROLLER		
By:		By:
Deputy Auditor-Controller		
Date:		Date:

Exhibit "A" to Radio Communication
Site Lease Agreement

LEGAL DESCRIPTION OF
PROPERTY

Exhibit B to Radio Communication Site Lease Agreement
SITE PLAN

Exhibit C to Radio Communication Site Lease Agreement

EQUIPMENT LIST

Exhibit D to Radio Communication Site Lease Agreement
FORM OF MEMORANDUM OF AGREEMENT

MEMORANDUM OF LEASE

Recording Requested By:

And When Recorded Return to:

APN:
RE: Cell Site Name:

State: California

County: Monterey

MEMORANDUM

OF

LEASE

This Memorandum of Lease is entered into effective as of the day of execution by all parties, by and between _____ (hereinafter referred to as "LESSOR") and COUNTY OF MONTEREY (hereinafter referred to as "LESSEE"),

1. LESSOR and LESSEE entered into a certain Lease Agreement ("Agreement") on the [DATE], for the purpose of installing, operating, and maintaining a communications facility and other improvements. All of the foregoing are set forth in the Agreement.

2. The term of the Agreement is for ___ (>>) years commencing on _____ (>>) year.

3. The Land which is the subject to the Agreement is described in Exhibit A attached hereto.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the day and year when the Memorandum is executed by all parties.

LESSOR

By:_____

Title:_____

Date:_____

Approved as to Form

By:

Title:

Date:

LESSEE

By:_____

Title:_____

Date:_____

Approved as to Form

By:

Title:

Date:

Approved as to Fiscal Provisions

By:

Title:

Date:

Exhibit E to Radio Communication Site Lease Agreement

Before the commencement of work by Lessee on the Site, Lessee shall submit Certificates of Insurance and Endorsements evidencing that Lessee has obtained the following forms of coverage and minimal amounts specified:

A. MINIMUM SCOPE OF INSURANCE

1) General Liability. Either Comprehensive General Liability Insurance or Commercial Liability Insurance or Self Insurance that is permitted and licensed by the State of California.

2) Automobile Liability Insurance. Either commercial auto insurance offered by insurance carriers licensed to sell auto liability insurance in California or self-insurance that is permitted and licensed by the State of California.

3) Workers' Compensation and Employer Liability Insurance. Either standard insurance offered by insurance carriers or self-insurance that is permitted and licensed by the State of California.

4) Professional Liability Insurance. Either Self Insurance or standard coverage offered by insurance carriers, but only when the contract involves professional services such as engineering architectural, legal, accounting, instructing, consulting, medical, and other professional services.

5) Contractors Pollution Liability. Either standard insurance offered by insurance carriers or Self Insurance that is permitted and licensed by the State of California.

6) Waiver of Subrogation. Lessee's comprehensive general liability insurance or commercial liability insurance (if Lessee maintains either comprehensive general liability insurance or commercial liability insurance), automobile liability insurance (if Lessee maintains automobile liability insurance), worker's compensation insurance (if Lessee maintains worker's compensation insurance), and umbrella insurance policy (if Lessee maintains an umbrella insurance policy) shall provide a waiver of subrogation, in favor of Lessor.

B. MINIMUM LIMITS OF INSURANCE

1) General Liability. At least $2,000,000 combined single limit per occurrence coverage for bodily injury, personal injury, and property damage, plus an annual aggregate of at least $2,000,000; an umbrella policy may be used to attain such minimum coverage.

2) Automobile Liability. Policy limits shall be at least $1,000,000 combined single limit for bodily injury and property damage for autos used by Lessee to fulfill the requirements of this contract.

3) Workers' Compensation and Employer's Liability.

Workers' Compensation and Employer's Liability. Workers' Compensation insurance at statutory limits and Employer's Liability insurance each with policy limits of at least $1,000,000 for bodily injury or disease.

4) Professional Liability Insurance (Only applies when contracting for professional services). Professional liability insurance covering Lessee's negligent acts or omissions (for professional services in connection with this Site Lease Agreement) shall be provided in an amount of at least $1,000,000 per occurrence or $1,000,000 on a claims-made basis. Such professional liability insurance shall contain a one (1) year extended reporting period. If during the contract period or within two years after the contract has expired or terminated, Lessee terminates professional liability insurance, Lessee shall promptly notify Lessor of its decision to terminate coverage and then purchase an extended claims reporting provision that covers liability claims that may be filed within two years after work under this contract has been completed.

5) Contractors Pollution Liability. Contractors' pollution liability insurance shall be provided on a made basis in an amount of $2,000,000 for all claims. Contractor's pollution liability insurance shall be limited to environmental damages that occur as a result of Lessee's own actions that directly cause environmental damage (after the Effective Date) and not from, among other things, (i) any preexisting conditions (preexisting the Date), and/or (ii) actions of Lessor and/or others (actions of the Lessor and/or others prior to the Effective Date or at any time on and/or after the Effective Date). Such contractor's pollution liability insurance shall contain an extended reporting period of thirty (30) days.

6) Self-Insurance. If Lessee chooses to self-insure any of the coverages listed above, they must provide Lessor a letter from a duly licensed and accredited Actuary stating that their self-insurance program is being funded in accordance with actuarially recommended guidelines.

C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Insurance deductibles or self-insured retention must be declared on certificates of insurance. If' Lessee maintains either Comprehensive General Liability Insurance or Commercial Liability Insurance, Lessee's deductible for either the Comprehensive General Liability Insurance or Commercial Liability Insurance shall be no greater than $5,000.

D. OTHER INSURANCE PROVISIONS

General liability insurance policies only

The Lessee's policy shall be endorsed to provide the following coverages:

a) Additional Insured Endorsement. The Lessor shall be covered as insured as respects liability arising out of activities performed by or at the direction of the Lessee, including products and completed operations of the Lessee; premises owned, occupied or used by the Lessee; or automobiles owned, leased, hired or borrowed by Lessee. The coverage shall contain no special limitations on the scope of protection afforded to Lessor.

b) Primary Insurance Endorsement. Lessee's insurance coverage shall be primary insurance (with the exception of Lessor's gross negligence or willful misconduct). Any insurance or self-insurance maintained by the Lessor, its officers, officials, employees, or volunteers shall be in excess of the Lessee's insurance and shall not contribute to it.

c) Separation of Insured Clause. Lessees insurance shall apply separately to each insured, as though a separate policy had been issued to each, except the policy aggregates apply collectively to all insureds.

Construction contracts exceeding $25,000. Construction contracts exceeding $25,000 must also provide an endorsement for Automobile Liability insurance, which includes the items listed in D a), b), and c) above.

E. ACCEPTABILITY OF INSURANCE CARRIERS.

Insurance is to be placed with insurers who are licensed to sell insurance in the State of California and who possess a Best's rating of no less than A-: VII. If the Lessee's insurance carrier is not licensed to sell insurance in the State of California, then the carrier must possess a Best rating of at least A: VIII. (For Best ratings, go to http://www.ambest.com/)

F. VERIFICATION OF COVERAGE.

Lessee shall furnish the Lessor certificates of insurance and original endorsements affecting coverage required by this clause. All certificates of insurance and endorsements are to be received and approved by the Lessor before work under the contract has begun. The Lessor reserves the right to require complete, certified copies of all insurance policies required by this contract.

Lessee agrees to notify Lessor within five (5) working days of any notice from an insuring agency that cancels, suspends, and reduces coverage or policy limits the insurance coverages described herein.

G. SUBCONTRACTORS.

Lessee shall include all subcontractors as insured under its policies or require all subcontractors to be insured under their own policies. If subcontractors are insured under their own policies, they shall be subject to all the requirements stated herein, including providing the Lessor certificates of insurance and endorsements before beginning work under this contract.

Introduced: 8/28/2025

Current Status: General Government - Consent

Version: 1

Matter Type: General Agenda Item

Receive a memorandum from Economic Development staff detailing Economic Development Accomplishments for FY24-25.

RECOMMENDATION:
It is recommended that the Board of Supervisors receive a memorandum from Economic Development staff detailing Economic Development Accomplishments for FY24-25.

SUMMARY:
During FY 2024-25, Economic Development accomplished the following for each of the projects, programs and collaborations listed below:

Attraction, Retention and Expansion Projects: Provided economic development assistance to over 60 businesses. Assisted with 9 attraction leads from the Governor's Office of Business and Economic Development (Go-Biz). Attended and presented at several events, including Monterey Bay DART Symposium, Monterey Bay Defense Alliance, Team California, California Association for Local Economic Developers, Salinas Inclusive Economic Development Initiative, and Monterey Peninsula Chamber of Commerce. Represented the County at the Internation Council of Shopping Centers (ICSC) Conference, World Agriculture Expo, Meet the Consultants, and several local conferences/events.

Economic Development Set-Aside Program: During FY24-25, the Economic Development staff worked closely with the Economic Development Committee to review and revise the Development Set-Aside Program. The revised program guidelines and criteria were approved by the Board of Supervisors.

Small Business Revolving Loan Fund (SBRLF) and City Partner Collaborations: The SBRLF was in revolving status during this fiscal year and was unable to issue new loans. The SBRLF did assist with retaining 9 jobs and helped to create 17.5 jobs. Economic Development along with Cal Coastal continued with marketing efforts to engage small businesses throughout the County. Economic Development is actively working with all 12 city partners and non-profit associations to identify economic development initiatives where the County can participate and collaborate.

Other Economic Development Projects/Programs: Economic Development has been partnering with neighboring Counties to market the Central Coast Recycling Market Development Zone (RMDZ) and resources associated with the program. Economic Development continues to work closely with

Monterey Bay Economic Partnership (MBEP) on the Community Economic Resilience Fund (CERF) Jobs First Program. In collaboration with Grow America and CVL Economics completed the second annual update. Work on Year 2 update began in January 2024 with data analysis update for the three target sectors (Agriculture, Tourism and Hospitality, and Health Care & Social Assistance), and exploration of available data and literature related to Defense Department activity in the region and a qualitative review of the technology and innovation ecosystem in Monterey County. Economic Development has also been working in partnership with Nick Pasculli, Director of Communications and his team, to develop several hi-resolution marketing materials and business resource guides for economic development purposes.

OTHER AGENCY INVOLVEMENT:
County Counsel has approved the above memorandum as to form. The Economic Development Committee received and approved this report.

FINANCING:
Receiving this report does not impact the County budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The above memorandum provides economic development services that support the Board approved Strategic Initiatives.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
_ Administration
_ Health & Human Services
_ Infrastructure
_ Public Safety

Prepared by: Isela Sandoval, Management Analyst, x7514
Approved by: Richard Vaughn, Economic Development Manager, x5602

Attachments:
Economic Development FY24-25 Memo

Introduced: 8/28/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

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FINANCING:
Receiving this report does not impact the County budget.

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Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
_ Administration
_ Health & Human Services
_ Infrastructure
_ Public Safety

Prepared by: Isela Sandoval, Management Analyst, x7514
Approved by: Richard Vaughn, Economic Development Manager, x5602

Attachments:
Economic Development FY24-25 Memo

MEMORANDUM

COUNTY ADMINISTRATIVE OFFICE

DATE: **September 16, 2025**

TO: **Board of Supervisors**
Sonia M. De La Rosa, County Administrative Officer
Nick E. Chiulos, Chief Assistant County Administrative Officer
Debbie Paolinelli, Assistant County Administrative Officer
Michael Beaton, Assistant County Administrative Officer

FROM: **Richard Vaughn, Economic Development Manager**

RE: **Economic Development Wrap-Up FY2024-25**

Following is a list of economic development activities that were accomplished during FY24-25:

1. Economic Development Attraction, Retention and Expansion Projects
    a. Meeting with Raising Canes regarding their interest in Monterey County.
    b. Meeting with EvGo regarding their interest in Monterey County.
    c. Meeting with Dutch Bros regarding their interest in Monterey County.
    d. Meeting with Sprouts Farmers Market regarding their interest in Monterey County.
    e. Meeting with Paris Bakery to discuss business resources and SBRLF.
    f. Meeting with LALA Grill to discuss business resources and financing.
    g. Meeting with Reservoir Farms regarding business resources.
    h. Meeting with American Biosciences regarding business resources and SBRLF.
    i. Meeting with Imperial Fencing Racing to discuss business resources.
    j. Meeting with CW Energy out of the Country of Turkey to assist with ongoing site opportunities in Monterey County.
    k. Meeting with Elite Hospitality Staffing to discuss business resources.
    l. Meeting with Enevi, a recycling manufacturing company to discuss business resources and facilitate connections.
    m. Meeting with Fleetwerx to discuss business resources and facilitate connections.
    n. Meeting with developer for Salinas Gateway Center regarding potential hotel development and retailers interested in the center.
    o. Meeting with Progurt to discuss business resources and facilitate connections.
    p. Meeting with Prosperos.io to discuss business resources.
    q. Meeting with Monterey Bay Fisheries Trust to discuss resources, support letter, and partnerships.

r. Meeting with Director of Trade and Investment for Portugal to discuss potential bi-lateral opportunities.
s. Outreach to Ginger People to discuss business resources and mitigation to tariffs.
t. Outreach to the founder of Carbon-Free Energy to discuss business resources and facilitate connections.
u. Assisted Esquibel Barbershop with business resources and facilitated a connection to our local SBDC and the RLF program.
v. GO-Biz RFI Artl sent to all 12 City Partners for attraction efforts.
w. GO-Biz RFI Carbotura sent to all 12 City Partners for attraction efforts.
x. GO-Biz RFI Chips sent to all 12 City Partners for attraction efforts.
y. GO-Biz RFI Cloud sent to all 12 City Partners for attraction efforts.
z. GO-Biz RFI Coco sent to all 12 City Partners for attraction efforts.
aa. GO-Biz RFI Data Campus sent to all 12 City Partners for attraction efforts.
bb. GO-Biz RFI Divert sent to all 12 City Partners for attraction efforts. Collaborated with City of Gonzales to submit a site response.
cc. Go-Biz RFI Fusion sent to all 12 City Partners for attraction efforts.
dd. GO-Biz RFI Voltify sent to all 12 City Partners for attraction efforts.
ee. Attended SIEDI briefings to represent Monterey County Economic Development.
ff. Attended Monterey Bay DART symposium to connect with businesses in this industry and provide support.
gg. Attended ICSC Monterey 2025 and met with over 20 retailers to market sites in the County.
hh. Attended World Agriculture Expo 2025 and met with over 25 investors and businesses to discuss opportunities in Monterey County.
ii. Attended Meet the Consultants 2024 to connect with site selectors and market Monterey County.
jj. Assisted with developing the County Enhanced Infrastructure Financing District Policy.
kk. Represented the County as the Chair of Team California.
ll. Awarded a NACo Award for Economic Development 'Building Business Back Program'.

2. DSA Program
    a. Worked closely with the Economic Development Committee to review and provide a recommendation for the Development Set-Aside Program.
    b. Guidelines and criteria for the program were approved by the Board of Supervisors.
3. ARPA Programs
    a. Countywide Business Retention Recovery
        i. MCBC has worked diligently to hold workshops and provide technical assistance to businesses across the County. The program has been extended to December of 2026.
        ii. The Building Business Back program completed a workforce study across the County to obtain real time data for the major industry sectors across the County.
    b. Countywide Hospitality/Tourism Recovery

i. MCCVB completed its work to develop programs and marketing efforts not previously utilized to assist with the recovery of the hospitality and tourism industry across the County.

4. Small Business Revolving Loan Fund
    a. Loans
        i. The Small Business Revolving Loan Fund is currently awaiting revolving funds to issue additional loans in FY25-26. During this time the revolving loan fund assisted with creating 17.5 jobs and retaining 9 jobs for local businesses.
    b. Marketing
        i. Economic Development along with Cal Coastal continued with marketing efforts to engage small businesses throughout the County.
5. City Partner Collaborations
    a. Provided Economic Development Updates at Monterey Peninsula Chamber of Commerce Business Roundtable Meetings.
    b. Provided an Economic Development presentation to the several cities in the County.
    c. Actively working with all City Partners to identify economic development initiatives where the County can actively collaborate.
6. Economic Development Committee
    a. Staff assisted with preparation of four committee meetings in the fiscal year.
    b. Several letters of support were provided by the committee.
    c. Two (2) organizations supported by the committee received funding by the Board of Supervisors.
7. Other Economic Development Projects/Programs
    a. East Garrison Arts District
        i. Working in partnership with Housing and Community Development to bring awareness of this project to potential developers.
    b. Monterey Bay Defense Alliance
        i. Partner with city, non-profit, and military partners to highlight the importance of the defense community in Monterey County.
    c. Cal Recycle – Recycling Market Development Zone Program (RMDZ)
        i. Partnering with neighboring Counties to re-instate the Central Coast RMDZ.
        ii. This program offers special incentives to manufacturers who use recycled material and locate within the zone.
    d. Jobs First
        i. Economic Development is continuing to work closely with MBEP on this program. Staff is a member of the advisory committee.
    e. Central Coast Marketing Team
        i. Continuing to work with the Central Coast Marketing Team to identify the goals and initiatives for the group and develop a way to make the group inclusive of all 12 cities in the County.
    f. Marketing Collateral
        i. Economic Development is working in partnership with Nick Pasculli, Director of Communications to develop several hi-resolution marketing materials and business resource guides for economic development purposes.

Introduced: 8/29/2025

Current Status: General Government - Consent

Version: 1

Matter Type: General Agenda Item

Receive final reports for FY2024-25 from the Development Set-Aside Agencies, the Arts Council for Monterey County (Arts4MC), the Monterey County Convention and Visitors Bureau (See Monterey), the Monterey County Film Commission (MCFC) and the Monterey County Business Council (MCBC).

RECOMMENDATION:

It is recommended that the Board of Supervisors receive final reports for FY2024-25 from the Development Set-Aside Agencies, the Arts Council for Monterey County (Arts4MC), the Monterey County Convention and Visitors Bureau (See Monterey), the Monterey County Film Commission (MCFC) and the Monterey County Business Council (MCBC).

SUMMARY/DISCUSSION:

The Development Set-Aside (DSA) Program was established by the Board of Supervisors to support and promote economic development through tourism promotion, filmmaking, cultural arts programs, agriculture and small business outreach that strengthen the workforce, and through other programs that broaden the County's economic base to increase revenue and promote the creation and retention of jobs. The organizations that administer these services provide an annual report to the Board of Supervisors detailing their efforts and performance.

Arts4MC

The Arts4MC shall develop jobs and business opportunities in the art sector through creative impact grants, training, and promotion to artists' networks and associations. It shall increase public/private partnerships with partner hotels, partner districts, and partner schools to broaden the customer base of partner businesses. It shall leverage County investment by increasing funding from foundations, small businesses, and individuals, and swelling earned revenue from the sale of artwork. It works to expand workforce development opportunities that focus on increasing the number of students ready to work in the arts.

See Monterey

See Monterey acts as the County's marketing channel to maximize the benefits of tourism to the County of Monterey by implementing programs that promote the Monterey County brand. The primary goal of See Monterey's Marketing Communications department is to inspire and increase overnight visitation amongst Leisure, Group and International travelers. See Monterey shall market Monterey County through public relations, social media, and advertising programs to increase

awareness and desire to visit Monterey County. It will do so by increasing web visits and earned media; by procuring group sales and group bookings; and through providing visitor information services with focus on increasing Transient Occupancy Tax revenue by persuading visitors to extend their stays.

Monterey County Film Commission
The Monterey County Film Commission (MCFC) shall boost film industry outreach by increasing the number of inquiries that have positive results; tracking the number of media productions occurring in Monterey County, and raising the total funds spent in Monterey County from film production. It shall expand education and workforce opportunities by increasing the number of Monterey County film site locations and enhancing film-related job skills.

Monterey County Business Council
The Monterey County Business Council (MCBC) shall create or retain jobs through business expansion and businesses receiving assistance from the Monterey Bay APEX Accelerator and assist small businesses and local entrepreneurs to secure government contracts. MCBC shall continue to educate and engage the public through events, e.g., the Annual Higher Education & Research Summit and Annual Economic Vitality Awards, and host various business advocacy events, Leadership Monterey County, and business luncheons.

The reports attached comply with the DSA Program requirements and goals set by the Economic Development Committee and Board of Supervisors in the Development Set-Aside Guidelines.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed this board report.

FINANCING:
Receiving these reports does not impact the County budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The Development Set-Aside agencies provide programs and services that support the Board-approved Strategic Initiatives.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
__ Administration
__ Health & Human Services
__ Infrastructure
__ Public Safety

Prepared by: Isela Sandoval, Management Analyst II, x7214
Approved by: Richard Vaughn, Economic Development Manager, x5602

Attachments:
Arts4MC Annual Report FY2024-25
See Monterey Annual Report FY2024-25
MCFC Annual Report FY2024-25
MCBC Annual Report FY2024-25

Introduced: 8/29/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

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OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed this board report.

FINANCING:
Receiving these reports does not impact the County budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The Development Set-Aside agencies provide programs and services that support the Board-approved Strategic Initiatives.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
__ Administration
__ Health & Human Services
__ Infrastructure
__ Public Safety

Prepared by: Isela Sandoval, Management Analyst II, x7214
Approved by: Richard Vaughn, Economic Development Manager, x5602

Attachments:
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See Monterey Annual Report FY2024-25
MCFC Annual Report FY2024-25
MCBC Annual Report FY2024-25

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

DEVELOPMENT SET-ASIDE AGENCY INFORMATION			
DSA Agency Name: **Arts Council for Monterey County**		**Project Description:** **Strengthen the Economic Base through the Creative Sector**	
Contract Amount: **$603,164**			**Fiscal Year:** **July 1, 2024 to June 30, 2025**
Project Contact Completing Form:	Jacquie Atchison	**Title:**	Executive Director
Primary Telephone:	831-622-9060 x104	**Email:**	jacquie@arts4mc.org
Address:	24600 Silver Cloud Court, Suite 202, Monterey CA 93940		

Progress Report Reporting Period:

Ck current report period	**Reporting Period:**
X	**12 Month Report** 7/1/24-6/30/25 ***(Due 07/31/25)***

Performance Report Submittal Date:	July 22, 2025

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

GOAL 1 – Economic Development						
Proj	**Activities**	**Performance Measure**	**Expected Outcome**	**Planned**	**Actual to date**	**% Of Work Complete**
Task 1	Increase capacity for at least forty (40) local nonprofits to expand art programs and events through funding and technical assistance consulting and coordinate 2 County Grant Awardee Receptions.	Grant Applications/Final Report	Increased exposure and strengthen economic development	Provide financial support and offer free technical assistance	Completed	100%
2	Support at least ten (10) festivals, concerts, or performances with funding and promotion that are economic drivers in the county.	Grant applications/final report	Increased exposure and strengthen economic development	Provided funding to organizations festivals, concerts or performances	Completed	100%
3	Facilitate access to entry for under-resourced, emerging, or typically underrepresented artists and groups by providing affordable artists' studios and gallery space to assist in launching or expanding their art business, while increasing sales.	Fully leased ArtWorks @Salinas	Build a successful and affordable art studio and gallery for local artists.	Monthly First Friday events, increase marketing, bring in pop-ups, new artists	Completed	100%
4	Curate annual art installation at County Government Center, including CAO's conference room, showcasing 30-50 local artists with Awards Reception.	Showcasing over 30 artists	Provide a vibrant environment for county employees and guests	Call to local artists, curate exhibition; Artists Reception w/ awards	Completed	100%

County of Monterey
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FY 2024-25 Project Performance Report

Provide a narrative of year to date accomplishments of Project Goal #1 Economic Development

COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated,

Are project goal(s) substantially on schedule and performance measures being achieved? Yes **X** No ☐

NARRATIVE:

1. 48 grants awarded for a total of $225,000. County grants are awarded in Dec and June. First reception was held on Dec 16th at the Marina Library, with 26 grants awarded to organizations throughout the county including Alisal Center for the Fine Arts (D1), Noche Bohemia De Salinas (D2), Monterey County Agricultural & Rural Life Museum (D3), Supporting Indigenous Communities Group (D4) and Art Abilities (D5); and 17 more grants were awarded at the Grantee Reception on Jun 23rd in Portobello's in Salinas including MILPA Collective (D1), Aromas Hills Artisans (D2), Artistic-Civic League United (D3), Monterey County Black Caucus (D4) and Carmel Jewish Festival (D5). See Exhibit A, Section H

2. Funded 20 organizations for a total of $50,000. Funding support included Tonatiuh Danzantes Del Quinto Sol (D1), Enchantrix (D2), Monterey County Dance Foundation (D3), Sol Treasures (D3), West End Celebration (D4), Palenke Arts (D4), Monterey Symphony (D5), Monterey Jazz Festival (D5). See Exhibit A, Section H

3. ArtWorks @Salinas has become a successful venture with 7 artists in residences and featuring another 6-8 rotating artists. Each quarter we feature a Salinas/Salinas Valley artist and hold monthly Artists Receptions. Sales of the art have increased by 200% this past fiscal year.

4. Installation occurs every December, with 30 artists providing over 60 original art pieces in the Govt Center and CAO office; Held Artists Reception at Govt Center on May 14th.

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GOAL 2 – Workforce Development						
Proj	**Activities**	**Performance Measure**	**Expected Outcome**	**Planned**	**Actual to date**	**% Of Work Complete**
Task 1	Support emerging artists to launch or expand their businesses through grant support and mentorship.	Post-program survey to assess confidence and preparedness in business development.	At least 85% of participating artists will report increased knowledge of business practices and confidence in sustaining or expanding their creative enterprises	Award two grants to Established Artists and balance to Emerging Artists	Completed	100%
2	Provide at least four (4) free professional development programs on starting and building arts businesses, marketing and promotion, etc. for artists and arts and culture organizations	Post program evaluations	Participants will report increased knowledge and confidence in growing their arts business, as measured by post-program evaluations	Increase number of participants	Completed	100% +
3	Collaborate with community colleges, universities and workforce development agencies to help build this pipeline for artists and teachers to obtain the required training.	Number of formal partnerships established with local colleges, universities, or workforce agencies	Enhanced alignment between educational institutions and community needs in the creative sector	To develop a credentialing program at CSUMB for single art and music majors	Ongoing	100% for this year
4	Complete Mural in Chualar as requested by D1 Supervisor Alejo and D3 Supervisor Lopez;	Completion and appreciation of mural	To honor the family of the Bracero farmworkers	A mural for the community to be proud of	Completed	100%

Provide a narrative of year to date accomplishments of Project Goal #2 Workforce Development

County of Monterey
Development Set-Aside Agency
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COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated,

Are project goal(s) substantially on schedule and performance measures being achieved? Yes **X** No.

NARRATIVE:

1. We awarded two (2) $10,000 grants to Established Artists including Liliian Barbeito, a local dancer, to bring the transformative power of dance to uplift individuals at 5 senior care facilities, hospitals, & community spaces across Monterey County; and Edgar Lorenzo, to provide an Animation Workshop on Empowering Creativity in Monterey County; and seventeen (17) grants to local emerging artists. See Exhibit A, Section H
2. We provided four (4) free professional development programs including "Emerging Videographers: Frame by Frame" in July, "Boost Your Business with Customer Engagement & Portfolio Kits" with artist Kenji Tanner in October 2024, "Staying Compliant in 2025, Key Law Changes for Art Nonprofits" with Fenton & Keller Attorney Brad Levang in January 2025 and "Mastering the Inner Game of Art Business" With artist Edi Matsumoto in April 2025. See Exhibit A, Section B8
3. The Arts Councils of Monterey, Santa Cruz and San Benito are collaborating to create a visual and performing arts pathway to a credentialing program at CSUMB. We are partnering with Hartnell College, Cabrillo College, Gavilan College, CSUMB and the Offices of Education for each county. Our plan is to include the Workforce Development Programs in each county also.
4. Completed in April 2025 and held a large community celebration on April 18th, with over 300 guests, including Supervisors Alejo and Lopez, the Mexican Consul and representatives from Assembly Speaker Robert Rivas and Senator Laird's office. See Attachment 2-4

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GOAL 3 - Marketing						
Proj	**Activities**	**Performance Measure**	**Expected Outcome**	**Planned**	**Actual to date**	**% Of Work Complete**
Task						
1	Produce and promote the annual Open Studios Art Tour in October 2024, and increase art sales for artists over these two weekends.	Increase in number of participants	10% increase in number of participants	Increased marketing, updated program, add Mobile App	Completed	100%
2	Participate in five (5) community events, festivals, and outreach programs to connect with local residents and build relationships.	Number of community events, festivals, and outreach programs attended (target: 5)	Increased exposure to the arts and the need for arts education in all our schools	Attend community events throughout the county.	Completed	100%+
3	Leverage digital marketing channels such as social media, email marketing, website, and online advertising to reach a broader audience for cultural events.	Increase interactions via social media by 10%	Increase followers and interactions on social media	Increase number and improve interactions of social media posts	Completed	100%

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

Provide a narrative of year to date accomplishments of Project Goal #3 Marketing

COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated,

Are project goal(s) substantially on schedule and performance measures being achieved? Yes **X** No ☐

NARRATIVE:

1. We produced a very successful Open Studios Art Tour in Oct 2024, with a 60% increase in participants. See Exhibit A, Section H
2. We provided arts activities and information with our booth presence at Salinas Valley Food & Wine, Art Showcase at the Barnyard, West End Celebration, East Garrison Art Fair, Artist Alley @ Sherwood Park, Monterey Jazz Festival, Dia de los Muertos at Monterey Bay Sports, Soledad Community Mural Celebration, Alisal Family Resource Fair, Monterey Museum of Art's Block Party, Palenke Arts' Moonflower Festival and the Arts Empowerment Showcase at Hartnell, King City.
3. Rebranded and launched our new website (arts4mc.org) and increased marketing on social media for artists and arts organizations by more than 18% this fiscal year. We continuously update our online Cultural Road Trip and promote in print (Carmel Pine Cone) and social media during events such as Car Week, AT&T ProAm and included on See Monterey's App and website. In 2024-25, we started a Tik Tok account, and saw an increase of 26% in total reach and an increase of 10% of Facebook Followers, a 24% increase of Instagram followers, an increase of 11% to our LinkedIn page, 33,300 new visitors to our website and an increase of 17% in total pageviews to our Home Page.

County of Monterey
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GOAL 4- Collaborations & Partnerships						
Proj	**Activities**	**Performance Measure**	**Expected Outcome**	**Planned**	**Actual to date**	**% Of Work Complete**
Task						
1	Partner with See Monterey, local chambers of commerce, and businesses to promote arts and cultural attractions to attract visitors to the area, stimulating the economy.	Partner website updates; increased Memberships for See Monterey	At least 4 new arts organizations to join See Monterey to Increase exposure and strengthen economic base	Email and phone campaign requests to arts organizations to promote through See Monterey	Completed	100% +
2	Collaborate with 2 local communities/cities, to integrate arts and culture into neighborhood revitalization, placemaking initiatives to enhance the aesthetic appeal, vibrancy, and livability.	Number of community or city partnerships established (target: 2)	Increased community pride, civic engagement, and economic activity in targeted areas	Murals in Soledad and King City; New public plaza and sculptures in downtown King City	Ongoing	100%
3	Collaborate with stakeholders to integrate arts & cultural amenities into revitalization projects to enhance property values, attract investment, and catalyze economic growth.	Develop affordable artists live/work studios and vibrant public spaces	Marina Arts Village is moving forward, as is the Sand City project; East Garrison Arts does not seem viable	Meetings with stakeholders	Ongoing	100%

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

Provide a narrative of year to date accomplishments of Project Goal #4 Collaboration & Partnerships

COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated,

Are project goal(s) substantially on schedule and performance measures being achieved? Yes **X** No ☐

NARRATIVE:

1. Encouraged arts organizations to sign up as members of See Monterey, who offer free memberships. We had seven arts orgs signed up; increased marketing of Arts4MC Programs and Events with the Monterey Peninsula Chamber of Commerce, Salinas Valley Chamber of Commerce and King City Chamber of Commerce.
2. King City - Programs Director participated on the King City Art Selection Committee, bringing art sculptures and murals to downtown, and providing advice on their new community plaza; collaborated with City of Soledad on three murals at Cesar Chavez Park and one at the Fire Apparatus Building, including community and council surveys and input on design. See Attachment 4-2
3. Marina - attended two tours of the proposed Marina Arts Village, met with council and staff members, completed interview with EMC Planning on feasibility study; attended City Council Meetings; Sand City - met with City Manager about proposed Sand City Art Park to provide affordable housing and studios for artists, provided input on their feasibility study with ELS Architecture and Urban Design; East Garrison- attended meetings with Arts Habitat, County Staff and Art Space, who withdrew from the project. See Attachment 4-3

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

PROJECT SUMMARY INFORMATION

Required Submittals:

	Check or write N/A	
	Previously Provided	**Attached**
A) **Audit & Budget:** Copy of the most recent annual audit and organizational budget. *(ref: B7 PSA Exhibit A)*	X Provided	☐ Attached
B) **Financial statements:** Copy of the financial statements covering the period? If no, please explain:	☐ Provided	X Attached
1. June 30, 2024	X Provided	☐ Attached
2. June 30, 2025 - Full Org and DSA Only **Exhibit A**	☐ Provided	X Attached
C) **Funding Acknowledgement:** List and provide a copy of recent materials showing funding support from the Monterey County Board of Supervisors. *(Exhibit A, Section B8)* BusinessWorks Promo for County Grants	X Provided	X Attached **Exhibit A, Section B8**
D) **Written Publications:** Provide a copy of all work products, funded in whole or in part. *(Exhibit A, Section B9)*		
E) **Website Certification:** The website displays Monterey County Board of Supervisors as a major funding contributor. *(Exhibit A, Section B9)*	X Provided	☐ Attached
F) **Board List:** Provide a current listing of Board members (see attached roster of board member form). *(Exhibit A, Section B10)*	X Provided	☐ Attached
G) **Current Articles of Incorporation**	X Provided	☐ Attached
H) **Other:** OSAT Participant Report 2024 Grantees 2024-25 Individual Artists Grantees Sponsorships	☐ Provided	X Attached **Exhibit A, Section H**

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

ROSTER OF BOARD MEMBERS

Discuss efforts made to serve the needs of the unincorporated portions of the County of Monterey.

Every year, we sponsor an Art Fair in East Garrison, including providing arts activities for children; we also sponsored a beautiful mural in Chualar honoring the Bracero farmworkers who were killed in a train/bus crash; we provided funding to have a mural done at Bradley Elementary School.

List of Board Members: *(As you type the "Name" of each Board Member below, select <enter> to automatically start a new line and number.)*

Name	Business Location (City or County Area)	Home Location (City or County Area)
1. Laurie Bend	Salinas	Monterey
2. Natalie Rava	King City, Monterey	King City
3. Christopher Long, Esq	Monterey	Unincorporated East Garrison
4. Kiran Kamath		Marina
5. Sandie Borthwick		Seaside
6. TJ Plew		King City
7. Rosemary Soto	Salinas	Salinas
8. Peter Kasavan	Salinas	Unincorporated Salinas
9. Hugh Smith	Monterey	Seaside
10. Jacquie Atchison	Monterey	Unincorporated East Garrison

[1]***Unincorporated areas include**: **North County** (Pajaro, Las Lomas, Aromas, Elkhorn, Moss Landing, Castroville, Prunedale, Boronda); **South County** (Chualar, San Lucas, Pine Canyon, Jolon, San Ardo, Lockwood, Bradley, Parkfield) **Monterey Pen/Big Sur** (Carmel Valley, Pebble Beach, Carmel Highlands, Carmel Valley Village, Del Monte Forest, East Garrison)*

What efforts are being made to insure board representation from the unincorporated areas?

We currently have 2 voting members in unincorporated areas – 1 in Salinas/ Corral de Tierra and 1 in East Garrison.

Submit Progress Reports to the Assistant County Administrative Officer or designee at the following address:

County Administrative Office
IGLA - Housing and Economic Development
168 West Alisal Street, Third Floor
Salinas, CA 93901

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

APPROVAL/CERTIFICATION

_____
Signature of Authorized DSA Agency Representative

7/22/2025 Date

Exhibit A

ARTS COUNCIL for Monterey County

June 2025 DRAFT Financial Statement Highlights

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

ASSETS:

Our cash on hand is $760,965 which includes $61,000 in temporary restricted funds.

Our Accounts Receivables of $484,011 includes $150,000 from the Monterey Peninsula Foundation, $138,838 from the IRS, $75,000 from Packard, $26,000 from CA Arts Council, $30,000 from CFMC for 2025-26 and some invoices for GEMs and PAS.

LIABILITIES: Includes Accounts Payable of $61,642 which includes the Individual Artists Grants and accrued vacation of $22,364. Deferred revenue of $94,350 for OSAT Sponsorships and Summer PAS program and accrued payroll of $49,708 - paid on 7/3/25.

EQUITY: We currently show $536,027 in Unrestricted Net Assets, $452,364 with Donor Restrictions, $52,000 as Board Designated Funds for the Salinas Performing Arts Grants, and YTD Net revenue of -$139,363.

RESERVES: We are at $387,956 or 88% of reserve goal of $440,491. Last year this time, we were at 75% of goal.

BUDGET PERFORMANCE

Income

4200 Foundation Grants: At 456% of annual budget of $136,300 due to receipt of two-year $150,00 Packard Operating Grant, $150,000 from Monterey Peninsula Foundation for the next two fiscal years, $20,000 unrestricted from Emile Norman Charitable Trust and $50,000 unrestricted from Hayward Foundation, which was paid through MCGives.

4300 Contributions: Overall at 102% of annual budget of $85,000. Thank you, Board!

4400 Program Revenue: At 57% of annual budget of $1,272,875 due to reduction of arts education programming. Art Sales were much higher than expected.

4600 Other Revenue: At 382% of annual budget of $8,500 due to increase of interest rate for two $100K CDs and our Franklin Accounts.

4999 Net Assets Released from Restriction: $241,956 was released from restrictions this fiscal year to date.

***Overall, total revenue is at 99% of the Annual Budget, after completing 100% of the Fiscal Year, compared to total revenue at 92% of the Annual Budget this time last year.**

Expenses

6200 Administration & Operations: At 83% of annual budget of $477,004.

6300 Program Expenses: At 82% of annual budget of $1,437,761.

6500 Grants & Scholarships: At 100% of annual budget of $456,250.

***Overall, total expenses are at 85% of the Annual Budget, after completing 100% of the Fiscal Year, compared to total expenses at 94% of the Annual Budget this time last year.**

Arts Council for Monterey County
Statement of Financial Position
As of June 30, 2025

ASSETS	Restrictions	Restrictions	Total
Bank Accounts			
1000 West Coast Community Bank		61,000.00	61,000.00
1010 Pacific Valley Bank	274,162.15		274,162.15
1020 Pinnacle Bank	425,253.25		425,253.25
1050 Petty Cash	550.00		550.00
Total Bank Accounts	**$ 699,965.40**	**$ 61,000.00**	**$ 760,965.40**
1100 Accounts Receivable	177,010.99	310,000.00	487,010.99
1200 Investments	73,140.16	52,000.00	125,140.16
1300 Prepaid Expenditures	11,878.95		11,878.95
1499 Undeposited Funds	43,423.75		43,423.75
1400 Fixed Assets	67,910.70		67,910.70
1600 Security Deposits	12,000.00		12,000.00
1605 Right of Use Assets	255,131.00		255,131.00
TOTAL ASSETS	**$ 1,259,095.95**	**$ 504,365.00**	**$ 1,763,460.95**
LIABILITIES AND EQUITY			
Liabilities			
2000 Accounts Payable	51,642.37		51,642.37
2011 ArtWorks & Office Deposits	780.00		780.00
2012 Accrued Vacation Payable	22,364.13		22,364.13
2013 Deferred Revenue	94,330.50		94,330.50
2014 Accrued Payroll	49,708.08		49,708.08
2019 Sales Tax Payable	520.98		520.98
2015 Lease Liabilities	255,131.00		255,131.00
Total Liabilities	**$ 474,477.06**	**$ -**	**$ 474,477.06**
Equity			
3100 Net Assets without Donor Restrictions	536,027.69		536,027.69
3200 Net Assets with Donor Restrictions		452,363.85	452,363.85
3300 Board Designated Funds		52,000.00	52,000.00
3310 Board Designated Reserves	387,955.68		387,955.68
Net Revenue	-139,363.33		-139,363.33
Total Equity	**$ 784,620.04**	**$ 504,363.85**	**$ 1,288,983.89**
TOTAL LIABILITIES AND EQUITY	**$ 1,259,097.10**	**$ 504,363.85**	**$ 1,763,460.95**

Arts Council for Monterey County

Budget Performance 2024-25

July 2024 - June 2025

REVENUE	YTD Actual	Total Annual Budget	% of Annual Budget
4100 Government Grants			
4101 Granting	225,000.00	225,000.00	100.00%
4105 Operating	131,123.00	143,164.00	91.59%
4107 Programs	322,327.08	335,000.00	96.22%
Total 4100 Government Grants	**$ 678,450.08**	**$ 703,164.00**	**96.49%**
4200 Foundation Grants			
4201 Without Donor Restrictions	119,009.53	52,050.00	228.64%
4205 With Donor Restrictions	502,500.00	84,250.00	596.44%
Total 4200 Foundation Grants	**$ 621,509.53**	**$ 136,300.00**	**455.99%**
4300 Contributions			
4301 Board Contributions	14,974.43	12,000.00	124.79%
4305 Business/Corporate	11,157.02	5,000.00	223.14%
4310 Individuals	50,084.00	58,000.00	86.35%
4311 Recurring Donations	10,077.27	10,000.00	100.77%
Total 4300 Contributions	**$ 86,292.72**	**$ 85,000.00**	**101.52%**
4351 Champions Net Revenue	**$ 45,914.93**	**$ 45,000.00**	**102.03%**
4400 Program Revenue			
4402 Art Sales	17,432.33	5,000.00	348.65%
4405 ArtWorks Rent	5,981.27	6,000.00	99.69%
4408 Exhibit Fees	2,500.00	3,800.00	65.79%
4410 Professional Artists in the Schools	402,345.00	956,625.00	42.06%
4415 Arts as Healing	68,624.50	55,500.00	123.65%
4430 Community Arts Projects	159,487.51	194,942.00	81.81%
4440 Open Studios Art Tour	78,212.04	70,000.00	111.73%
Total 4400 Program Revenue	**$ 734,582.65**	**$ 1,291,867.00**	**56.86%**
4600 Other Revenue			
4605 Changes in Unrealized Gain/Loss	8,135.92	0.00	100.00%
4610 Dividend Revenue	3,417.44	2,500.00	136.70%
4615 Interest Earned	20,348.19	5,000.00	406.96%
4625 Other Miscellaneous Revenue	578.32	1,000.00	57.83%
Total 4600 Other Revenue	**$ 32,479.87**	**$ 8,500.00**	**382.12%**
4999 Net Assets Released from Restriction	241,956.00	184,321.00	131.27%
Total Revenue	**$ 2,441,185.78**	**$ 2,454,152.00**	**99.47%**

EXPENDITURES	YTD Actual	Total Annual Budget	% of Annual Budget
6200 Administration & Operations			
6101 Salaries - Admin & Develop	220,468.91	261,350.00	84.36%
6102 Payroll Taxes - Admin & Develop	18,085.83	18,479.00	97.87%
6201 Advertising/Recruitment	6.90	1,000.00	0.69%
6202 Audit & Tax Return Prep	25,250.00	29,500.00	85.59%
6203 Bank & Credit Card Charges	2,348.43	1,500.00	156.56%
6204 Board & Team Expenses	1,067.43	2,500.00	42.70%
6208 Dues & Subscriptions	8,750.12	8,100.00	108.03%
6209 Employee Benefits	9,160.81	10,791.00	84.89%
6211 Equipment Maintenance - IT Support	4,699.50	5,140.00	91.43%
6213 Insurance	17,700.70	22,765.00	77.75%
6215 Legal & Professional Services	2,067.44	2,500.00	82.70%
6235 Meetings & Conferences	2,582.74	6,000.00	43.05%
6236 Mileage & Travel	4,162.30	2,500.00	166.49%
6239 Office Maintenance	4,770.00	7,440.00	64.11%
6240 Office Supplies	5,314.07	10,000.00	53.14%
6241 Payroll Processing Fees	8,328.37	9,140.00	91.12%
6242 Postage & Shipping	1,813.70	2,000.00	90.69%
6243 Printing/Copying	1,463.24	3,000.00	48.77%
6250 Rent	48,000.00	48,000.00	100.00%
6255 Staff & Board Development	4,407.63	19,200.00	22.96%
6260 Strategic Planning	6,225.83	15,000.00	41.51%
6280 Utilities	7,300.28	7,020.00	103.99%
6290 Vacation Expense	3,270.13		
6299 Staff Stipend	660.00	1,080.00	61.11%
Total 6200 Administration & Operations	**$ 407,904.36**	**$ 494,004.00**	**82.57%**

6300 Program Expenses	YTD Actual	Total Annual Budget	% of Annual Budget
6301 Salaries - Programs	612,752.45	870,030.00	70.43%
6301a Artists - Independent Contractors	204,049.75	67,221.00	303.55%
6301v Employee Benefits	41,268.26	55,572.00	74.26%
6302 Payroll Taxes - Programs	58,659.30	104,892.00	55.92%
6303 Art Supplies	34,453.77	68,869.00	50.03%
6305 ArtWorks	64,687.35	58,195.00	111.16%
6306 Cell Phone Stipend	6,960.00	10,800.00	64.44%
6307 Advocacy	3,449.99	5,000.00	69.00%
6308 Auto Fuel, Repair & Maintenance	1,724.24	1,500.00	114.95%
6310 Commissions on Art Sales	13,404.68	3,750.00	357.46%
6312 Community Events & Festivals	2,182.76	7,500.00	29.10%

	YTD Actual	Total Annual Budget	% of Annual Budget
6313 Community Outreach	6,744.30	7,500.00	89.92%
6315 Contractor & Curator Fees	16,659.99	18,200.00	91.54%
6325 Grant Making Software	5,500.00	5,000.00	110.00%
6330 Live Scans	211.00	0.00	
6340 Workers Comp Insurance	7,409.51	3,732.00	198.54%
6350 Marketing	10,847.45	25,000.00	43.39%
6351 Poet Laureates	4,660.06	5,750.00	81.04%
6352 Travel - Programs	3,148.93	5,000.00	62.98%
6355 Professional Development	1,349.46	11,700.00	11.53%
6360 Supplies & Expenses	10,895.95	20,000.00	54.48%
6365 Poetry Out Loud	2,760.19	7,500.00	36.80%
6380 Receptions/Meetings	6,096.59	12,000.00	50.80%
6390 Website Development & Maintenance	717.27	4,100.00	17.49%
Total 6300 Program Expenses	**$ 1,179,245.65**	**$ 1,437,761.00**	82.02%
6500 Grants, Scholarships & Sponsorships			
6500a Community Arts Grants	283,500.00	283,250.00	100.09%
6500d Individual Artist Grants	97,550.00	98,000.00	99.54%
6500s Scholarships	15,000.00	15,000.00	100.00%
6500t Sponsorships	59,700.00	60,000.00	99.50%
Total 6500 Grants, Scholarships & Sponsorships	**$ 455,750.00**	**$ 456,250.00**	**99.89%**
6800 Fundraising	4,839.26	15,000.00	32.26%
6900 Taxes & Licenses	942.58	1,100.00	85.69%
Total Expenditures	**$ 2,048,681.85**	**$ 2,404,115.00**	**85.22%**
Net Operating Revenue	**$ 392,503.93**	**$ 50,037.00**	
Other Expenditures - Non Cash			
7020 Depreciation	21,868.00		
8800 (Into/Out) of Restricted Net Assets	-510,000.00		
Net Revenue	**-$ 139,364.07**	**$ 50,037.00**	

Arts Council for Monterey County

Budget Performance 2045-25 County of Monterey

July 2024 - June 2025

	Actual	Budget	% of Budget
Revenue			
4100 Government Grants			
4101 Granting	375,000.00	375,000.00	100.00%
4107 Programs	228,164.00	228,164.00	100.00%
Total 4100 Government Grants	**$ 603,164.00**	**$ 603,164.00**	**100.00%**
Total Revenue	**$ 603,164.00**	**$ 603,164.00**	**100.00%**
Expenditures			
6301 Program Management	80,407.42	85,664.00	93.86%
6305 ArtWorks	50,000.00	50,000.00	100.00%
6312 Community Events & Festivals	5,000.00	5,000.00	100.00%
6313 Community Outreach	6,000.00	6,000.00	100.00%
6315 Mural Contractor & Curator Fees	35,159.99	30,000.00	117.20%
6325 Grant Making Software	5,500.00	5,000.00	110.00%
6350 Marketing	15,000.00	15,000.00	100.00%
6355 Professional Development	10,000.00	10,000.00	100.00%
6380 Receptions/Meetings	6,096.59	6,500.00	93.79%
Total 6300 Program Expenses	**$ 228,164.00**	**$ 228,164.00**	**100.00%**
6500 Grants, Scholarships & Sponsorships			
6500a Community Arts Grants	225,000.00	225,000.00	100.00%
6500d Individual Artist Grants	100,000.00	100,000.00	100.00%
6500t Sponsorships	50,000.00	50,000.00	100.00%
Total 6500 Grants, Scholarships & Sponsorships	**$ 375,000.00**	**$ 375,000.00**	**100.00%**
Total Expenditures	**$ 603,164.00**	**$ 603,164.00**	**100.00%**

BusinessWorks

SOLUTIONS FOR BUSY CREATIVES

PRESENTS:

EMERGING VIDEOGRAPHERS: FRAME BY FRAME

Unlock the art and business of videography with tips, collaboration strategies, and community insights to empower emerging filmmakers.

Nathaniel Eramaa
@cre8tive_n8

Alex Garcia
Mag One Media
@magonemedia

FRIDAY, JULY 26, 2024 | 10:00 AM

ARTWORKS @SALINAS 262 MAIN STREET, SALINAS

SCAN ME

NO FEE TO ATTEND!

REGISTRATION ENCOURAGED

SO WE HAVE ENOUGH COFFEE AND TREATS!

BIT.LY/RSVPBIZWORKS

ARTS COUNCIL for Monterey County

MONTEREY COUNTY CALIFORNIA 1850

BusinessWorks

SOLUTIONS FOR BUSY CREATIVES

PRESENTS:

BOOST YOUR BUSINESS WITH ENGAGING CUSTOMERS AND CREATIVE PORTFOLIO KITS

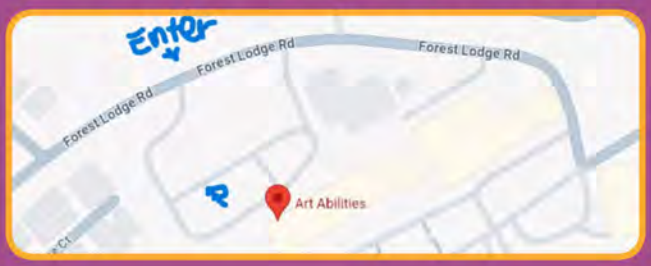
Learn to captivate customers and build impactful portfolio kits that elevate your business.

KENJI TANNER

@Kenjiartqueen

SCAN ME

FRIDAY, OCTOBER 25, 2024 | 10:00 AM



ART ABILITIES
220 COUNTRY CLUB GATE CTR.
SUITE 10, PACIFIC GROVE
Take Forest Lodge Rd to gain access to the rear parking lot.

NO FEE TO ATTEND!

REGISTRATION ENCOURAGED

BIT.LY/RSVPBIZWORKS

ARTS COUNCIL for Monterey County

MONTEREY COUNTY CALIFORNIA 1850

BusinessWorks

SOLUTIONS FOR BUSY CREATIVES

PRESENTS

STAYING COMPLIANT IN 2025:
KEY LAW CHANGES FOR ART NONPROFITS

Bradley Levang Esq.
Fenton & Keller Attorneys at Law

FRIDAY, JANUARY 31ST
10:00 AM

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
(COMMUNITY ROOM)
2354 GARDEN RD, MONTEREY

NO FEE TO ATTEND!
bit.ly/rsvpbizworks

ARTS COUNCIL for Monterey County

MONTEREY COUNTY CALIFORNIA • 1850 •

1368

BusinessWorks

SOLUTIONS FOR BUSY CREATIVES

PRESENTS

MASTERING THE INNER GAME: MINDSET FOR ART BUSINESS SUCCESS

Edi Matsumoto

Edi Matsumoto Art & Design
@edimatsumotoart

FRIDAY, APRIL 25TH
10:00 AM

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
945 SOUTH MAIN ST, STE 207, SALINAS

NO FEE TO ATTEND!
bit.ly/rsvpbizworks

ARTS COUNCIL for Monterey County

MONTEREY COUNTY CALIFORNIA · 1850 ·

1369

ARTS COUNCIL
for Monterey County

COMMUNITY ARTS GRANT

Receive up to $7,500 for your nonprofit organization towards a public arts and culture project or program!

ELIGIBILITY CRITERIA:

- Must be a nonprofit providing arts programs or events
- Did not receive a Spring Arts & Cultural Grant and completed the final report for any previous grant

APPLY TODAY!

ARTS4MC.ORG

FALL APPLICATIONS OCT. 1 - NOV. 12, 2024

Funding provided by:

The Todd Lueders Fund
Community Foundation
for Monterey County

THE DAVID & LUCILE
Packard
Foundation

ARTS COUNCIL
for Monterey County

COMMUNITY ARTS GRANT

Receive up to $7,500 for your nonprofit organization towards a public arts and culture project or program!

ELIGIBILITY CRITERIA:

- Must be a nonprofit providing arts programs or events
- Did not receive a Community Arts Grant and completed the final report for any previous grant

SPRING APPLICATIONS APR. 1 - MAY. 12, 2025

APPLY TODAY!

ARTS4MC.ORG

Funding provided by:

The Todd Lueders Fund Community Foundation for Monterey County

THE DAVID & LUCILE Packard Founda

INDIVIDUAL ARTISTS GRANT

Grant awards up to $5,000 and $10,000 based on career tier

Career tiers include: 1) Emerging Artists 2) Established Artists

Who Can Apply?

- Monterey County resident for at least 2 years
- Must be 18+ years
- Open to artists of all disciplines

APPLICATIONS ACCEPTED
FEB. 11 - MAR. 24, 2025

COUNTY OF MONTEREY CALIFORNIA • 1850 •

ARTS4MC.ORG

For more information visit:
arts4mc.org/grants/individual

ARTS COUNCIL
for Monterey Coun

PARTICIPANT SURVEY REPORT

OCTOBER

12-13 & 19-20, 2024

SAT. & SUN. 11 AM - 5 PM

OPEN STUDIOS
Art Tour

A program of Arts Council for Monterey County

Stephanie Langley

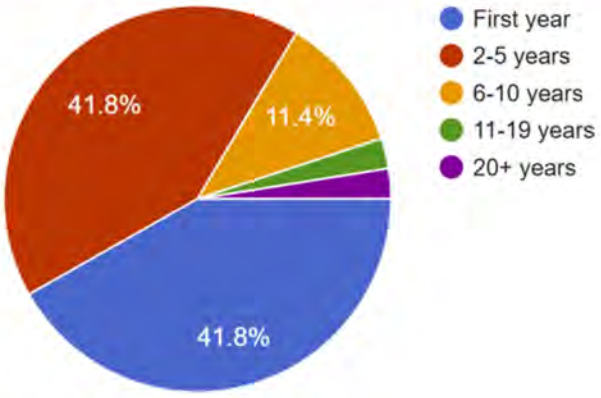
COUNTY OF MONTEREY CALIFORNIA 1850

ARTS COUNCIL
for Monterey County

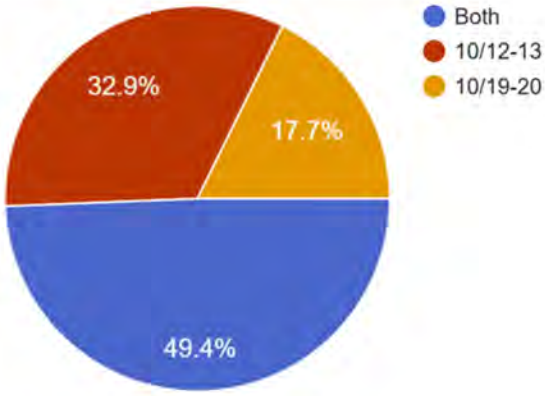
OSAT Participant Survey Results

OPEN STUDIOS Art Tour
A program of Arts Council for Monterey County

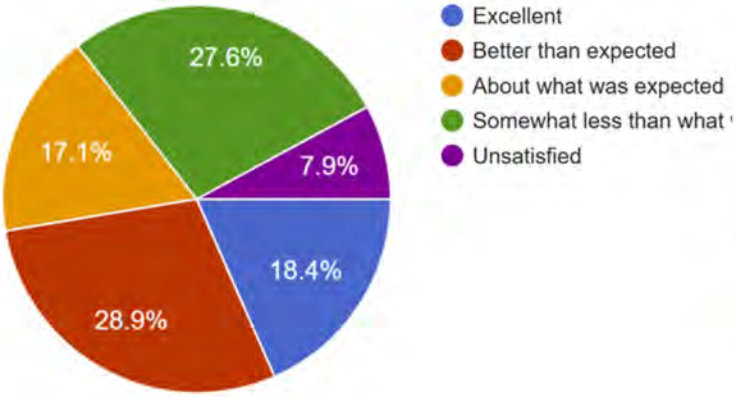
HOW MANY YEARS HAVE YOU PARTICIPATED IN THE TOUR?



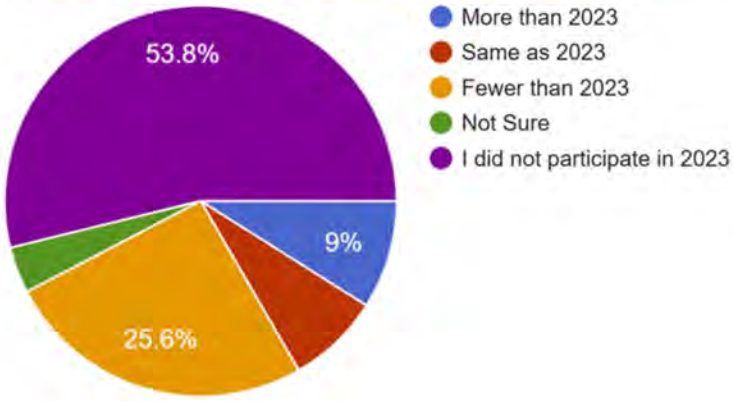
WHICH WEEKEND DID YOU PARTICIPATE?



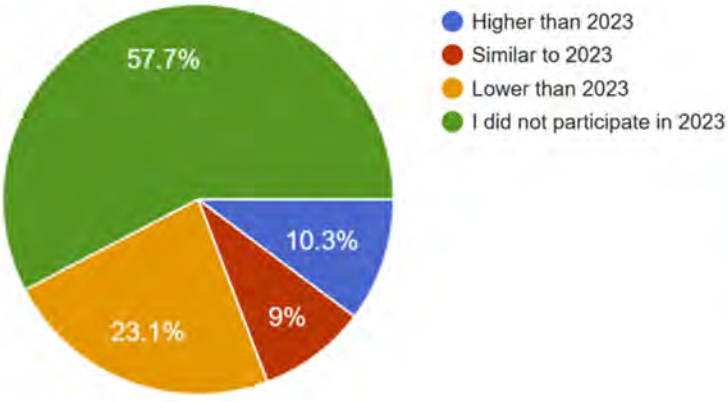
HOW WAS YOUR OPEN STUDIOS ART TOUR EXPERIENCE?



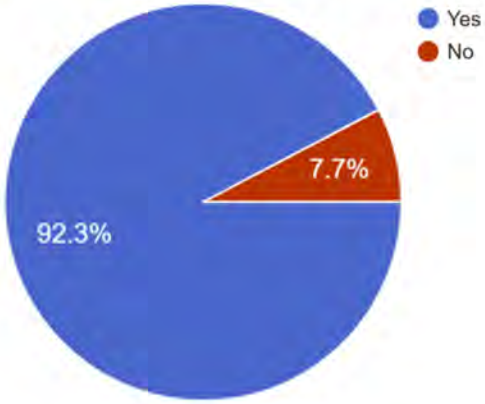
HOW DID THE NUMBER OF VISITORS COMPARE TO 2023?



HOW DID YOUR SALES COMPARE TO 2023?



DID YOU DO ANY SELF PROMOTION?

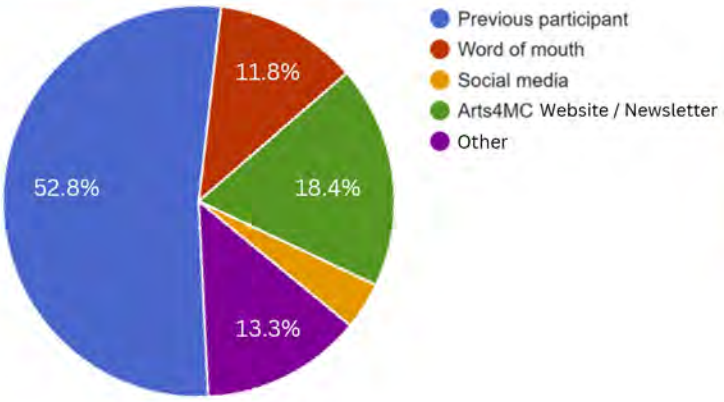


ARTS COUNCIL for Monterey County

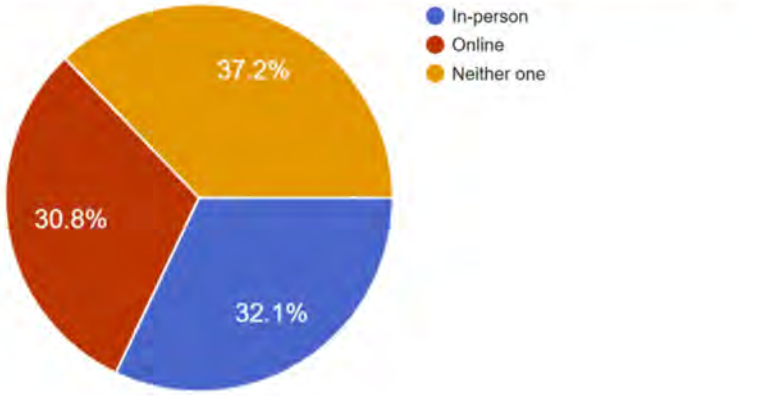
OSAT Follow Up Report

OPEN STUDIOS Art Tour
A program of Arts Council for Monterey County

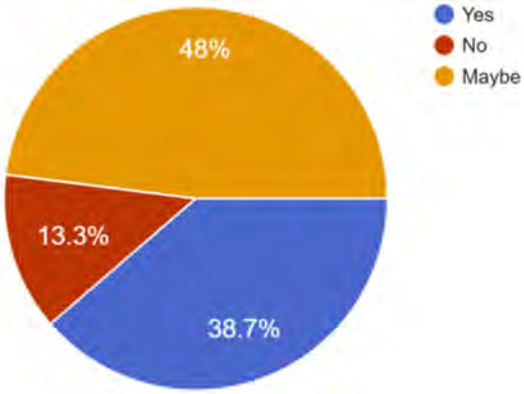
HOW DID YOU HEAR ABOUT THE TOUR?



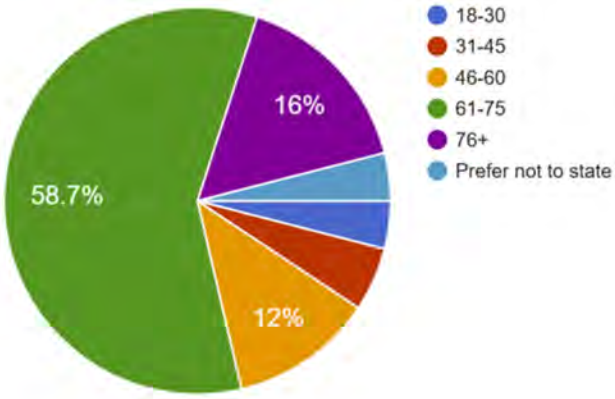
DID YOU ATTEND OSAT TOUR WORKSHOP IN-PERSON OR ONLINE



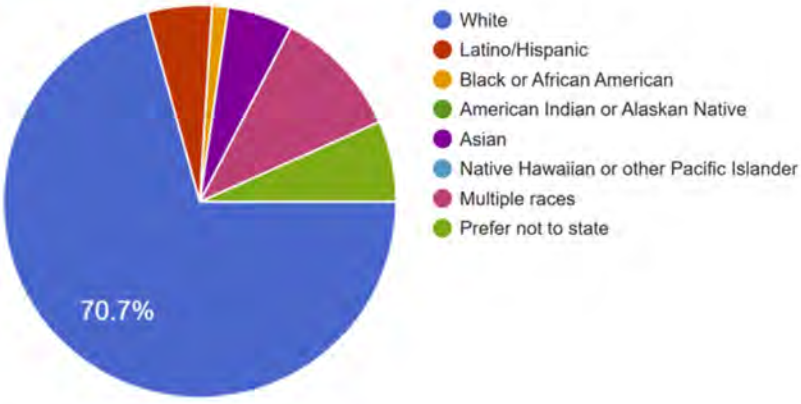
DO YOU PLAN TO PARTICIPATE IN THE 2025 TOUR?



AVERAGE AGE



RACE/ETHNICITY



ARTS COUNCIL for Monterey County

OSAT Follow Up Report

OPEN STUDIOS Art Tour
A program of Arts Council for Monterey County

KEY SUGGESTIONS FROM PARTICIPANTS

Marketing and Promotion:

- Increase social media coverage, news reporting, and broader public advertising.
- Start marketing efforts earlier in the year.
- Improve the design and aesthetic appeal of marketing materials.

Visitor Experience:

- Consider organizing a tour bus to facilitate visits and create an event-like atmosphere.
- Encourage attendees to view the event as a unique opportunity to purchase art directly from artists.

Event Structure:

- Suggestions to profile more artists and add more collaborative elements, such as artist talks, interactive portions, or city-specific merchandise (e.g., T-shirts or mugs).
- Proposals for new event formats, such as a craft fair alongside the studio tour or consolidating artists into larger public venues.

Accessibility and Reach:

- Distribute the guide earlier to ensure attendees are well-prepared.
- Address logistical concerns such as maps in the catalog and security notifications (e.g., Pebble Beach Security).

Participant Support:

- Address the disparity in visibility for artists in remote areas by adjusting fees or marketing efforts.
- Promote more equitable exposure opportunities, especially for individual or less-centralized studios.

Miscellaneous:

- Explore whether the concept of open studios might need reinvention to attract more visitors.
- Allow remote or non-local artists to exhibit in key venues for broader exposure.

OSAT Follow Up Report

OPEN STUDIOS Art Tour
A program of Arts Council for Monterey County

ADDITIONAL COMMENTS & FEEDBACK

Gratitude and Appreciation:

- Many participants expressed heartfelt thanks to the organizers, especially Klara and Arts4MC, highlighting their dedication and hard work.
- Positive remarks were made about the professionalism and support provided by the event coordinators.

Positive Experiences:

- Some participants reported successful sales and enjoyed the overall experience.
- Meeting visitors and receiving compliments on their work was a common positive note.
- Participants appreciated improvements in the catalog, such as larger images of artists' work.

Areas of Concern:

- Several participants experienced lower attendance and sales compared to previous years, which may have been influenced by external factors.
- Insufficient advertising and promotion may have led to lower visibility and attendance.
- Issues with the distribution of supplies and the clarity of the printed map were raised.

Constructive Feedback:

- Suggestions included providing more location options for those unable to host at their homes or studios.
- Earlier publication of promotional materials and organizing a preview exhibition to boost attendance and awareness.
- Improved distribution logistics for supplies to make it more convenient for artists.
- Consideration of group participation discounts to encourage collaborative efforts among artists.
- Emphasis on the importance of advertising and better marketing strategies to increase event visibility.

Overall Sentiment:

- The feedback reflects a mixture of appreciation for the organizers' efforts and constructive criticism aimed at improving future events.
- The need for better promotion, clearer logistics, and enhanced support for artists were key takeaways.
- Participants acknowledged the hard work involved in organizing the event and expressed a desire for more effective strategies to ensure its success in the future.
- First-time participants generally had positive experiences and were grateful for the opportunity, despite some challenges.

OSAT Follow Up Report- Arts4MC's First Year Efforts

OPEN STUDIOS Art Tour
A program of Arts Council for Monterey County

COLLATORAL

- 500 yard signs distributed for 127 locations starting 10/1
- 2,000 printed postcards provided starting 10/1
- Digital postcard sent with Workshop Info Packet
- 1,000 8.5 x 11 posters/flyers provided starting 10/1, provided in English & Spanish, plus available electronically on Arts4MC website
- 24,000 OSAT Magazines distributed through MCWeekly the week prior to first weekend (running it for two weekends will double the price, resulting in an increase to registration fees)
- 2,500 distributed through Arts4MC starting 10/1
- Magazine as a Flipbook, is on our website until 2025 tour
- All artists bios are on our website until 2025 tour
- New Free Mobile App – first time ever
- Many Tour Magazines were distributed to hotels in Carmel – will increase this for next year. Will also plan to provide signs, postcards, and magazines at Workshop one month prior.

COST

- If an artist is only open for one weekend, they are still getting the marketing benefits as an artist open for two weekends
- EVERYONE who paid a registration fee or received a scholarship was included in the Magazine. We normally don't list the venue as most people are looking for specific artists, not which artists are exhibiting at one location. Organizations with multiple artists that registered were recognized with their logo.
- One suggestion for venues with multiple artists is to purchase an ad from the Weekly to include in the Magazine, listings the artists.

MAP

- We know the printed map was insufficient and will commit to more pages of maps in the Magazine, to avoid any overlapping. Numbering needs to be corresponding in order of listings.
- Digital Map worked well.

OPEN EXHIBITION

Unfortunately, a gallery location for the 2024 Tour was not previously reserved, and it was too late by the time we took it over. We have reserved the Avery Gallery in Seaside for 2025 as it's one of the only venues that can accommodate more than 100 pieces. We are working on another location for 2026.

Arts4MC's First Year Efforts Continued

OPEN STUDIOS Art Tour
A program of Arts Council for Monterey County

ADVERTISING

- KSBW - Televised Community Calendar in October
- Carmel Pine Cone - 1 ad along with 50 word write up in October
- Salinas Californian - 2 ads ran in October
- MC Weekly- Both digital and print ads ran from the beginning of October. Web ads, MC Now ads, Scene Think, and weekly ads in the paper starting October 3rd - 17th. Magazine Guide was included in the 10/10 paper as an insert.
- Fresno Bee, print ad 10/9
- Monterey Herald print ad in September
- Monterey Peninsula Chamber eNewsletter September, & October
- Salinas Chamber eNewsletter September
- Arts4MC eNewsletter mentions since August
- Dedicated Arts4MC Newsletter week of OSAT
- Community Calendars
  - Arts4MC
  - MC Weekly
  - See Monterey
  - KSBW
  - KION
  - King City Rustler
  - Monterey Peninsula Chamber
  - KAZU
  - Fresno Bee
  - Paso Robles Independent

Flyers

SOCIAL MEDIA

Save the Date posts ran throughout the summer. Consistent posting began in September and went through the end of OSAT.

- Save the Date posts and stories
- Post highlighting each Individual Artist with mention or tag
- Collaborative joint posts with individual artists
- Posts with highlighting Organizations with mentions and tags
- SeeMonterey joint post

Quick numbers

- Reach: +12K
- Views: +23K
- Impressions: +16K

ARTS COUNCIL for Monterey County

Community Arts Grants 2024-25

Organization Name	City	D	Program
Alisal Center for the Fine Arts	Salinas	1	Performing and Visual Arts Programmng
MILPA	Salinas	1	MILPA Cultural Art Series
Natividad Medical Foundation	Salinas	1	Art Exhibition
Salinas Living Poetry and Prose Project	Monterey	1	Salinas Living Poetry and Prose Program
The Friends of the Salinas Public Library	Salinas	1	Library Crafts Cafe
United Way Monterey County	Salinas	1	Mural Project
Aromas Hills Artisans	Aromas	2	Theatre Arts Workshops
Educational Resources of Monterey County dba Hidden Hills Ranch	Salinas	2	Art in Nature
Enchantrix	Castroville	2	Elephant Man/Tommy
Noche Bohemia De Salinas	Salinas	2	2024 Holiday Show
Salinas Area Reading Fundamental	Salinas	2	Purchase diverse books for different cultures
Artistic-Civic League United	Greenfield	3	The Artistic-Civic League United
Hijos del Sol Arts Productions	Salinas	3	Community Arts in Action-Open Studio, Traveling Studio, Student
Monterey County Agricultural & Rural Life Museum	King City	3	Expand Community-Driven Programming through Artist Workshops:
Monterey County Dance Foundation	King City	3	Nutcracker Production
Salinas Valley Arts & Innovation Hub (Hartnell College Foundation fiscal	Salinas	3	South County Arts Empowerment Showcase in King City
So Mo Co Community Theater	King City	3	Readers Theater Production
Sol Treasures, Inc	King City	3	Gallery Exhibitions
Tonatiuh DQS	Salinas	3	Dance Exhibition
Black Caucus	Salinas	4	7th Annual Juneteenth Jubilee

Organization Name	City	D	Program
SpectorDance	Carmel	5	2025 Season
Stagekids	Big Sur	5	2025 Season
Sunset Cultural Center	Carmel	5	Arts for All: Expanding Access Through Equity, Education and
The Lyceum of Monterey County	Monterey	5	Lyceum Arts Education Programs
Whalefest Monterey	Monterey	5	2025 Whalefest Festival
YOUTH ARTS COLLECTIVE	Monterey	5	Arts Education Program
Youth Music Monterey County	Monterey	5	2025 Season

INDIVIDUAL ARTISTS GRANTS 2025

First	Last	City	D	Primary Artistic Discipline
ESTABLISHED				
Lillian	Barbeito	Carmel	5	Performing arts (dance, music, opera, musical theater, magic, illusion, mime, spoken word, puppetry)
Edgar	Lorenzo	Salinas	1	Digital arts (filmmaking, game design, photography)
EMERGING				
Katie	Raquel	Salinas	1	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
Cristian	Almanza	Salinas	1	Digital arts (filmmaking, game design, photography)
Jonathan	Ordiano	Salinas	1	Performing arts (dance, music, opera, musical theater, magic, illusion, mime, spoken word, puppetry)
Ivan	Ramirez	Salinas	1	Digital arts (filmmaking, game design, photography)
Nada	Abdelshah	Salinas	2	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
Arturo	Cabrera	Soledad	3	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
Miguel	Garcia	Greenfield	3	Digital arts (filmmaking, game design, photography)
Alicia	Trujillo	King City	3	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
Edward	Corpus	Seaside	4	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
Kee Hyon	Higgins	Seaside	4	Performing arts (dance, music, opera, musical theater, magic, illusion, mime, spoken word, puppetry)
Jess Marie	Soriano	Seaside	4	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
William	Bell	Salinas	4	Performing arts (dance, music, opera, musical theater, magic, illusion, mime, spoken word, puppetry)
Rudy	Medina	Marina	4	Visual arts (painting, drawing, printmaking, sculpture, including crafts such as ceramics)
Jackson	Sherry	Monterey	5	Digital arts (filmmaking, game design, photography)
Rachael	Short	Carmel	5	Digital arts (filmmaking, game design, photography)
Daniel	Troia	Pacific Grove	5	Digital arts (filmmaking, game design, photography)
Cambell	Walker	Monterey	5	Performing arts (dance, music, opera, musical theater, magic, illusion, mime, spoken word, puppetry)

Arts Council for Monterey County

Transaction Report - Sponsors paid by County

July 2024 - June 2025

Name	Memo/Description	Amount
Black Leaders And Allies Collaborative	Sponsorship	-1,000.00
Carmel Art Festival	Carmel Art Festival	-2,500.00
Enchantrix	Sponsorship for theatre production	-1,000.00
First Night Monterey	First Night Monterey	-2,500.00
House of the Four Winds Foundation	Christmas at the Adobes	-2,500.00
Monterey County Dance Foundation	The Nutcracker	-1,000.00
Monterey High School	Digital Arts Festival 2025	-1,000.00
Monterey Jazz Festival	MJF Gala 2025	-5,000.00
Monterey Museum of Art	2025 Block Party	-5,000.00
Monterey Peninsula Gospel Community Choir	Performance	-1,000.00
New Canon Theatre Company	Season 2025	-5,000.00
Palenke Arts	Sponsorship Package	-5,000.00
Sand City	West End Celebration	-5,000.00
Sol Treasures, Inc.	Annual Gala and Theatre Sponsorship	-2,000.00
The Weston Collective	Facing Seaside	-2,500.00
Tonatiuh Danzantes Del Quinto Sol	Annual Anniversary Concert on September 28th, 2024.	-2,500.00
Urban Arts Collaborative	PARALUMAN Oct 2024	-2,500.00
Urban Arts Collaborative	Chinatown Mini Mural	-2,000.00
Youth Arts Collective, Inc.	LiveArt April 26th	-1,000.00
	Total for Sponsorships	**-$ 50,000.00**

SUPERVISORS CHRIS LOPEZ AND LUIS ALEJO & THE ARTS COUNCIL FOR MONTEREY COUNTY INVITES YOU TO:

FREE TACOS & RAFFLE

Thanks to Our Sponsors: PepsiCo, Dr. Ignacio Ornelas, Cesar Trachetta, Fabian Corla, Al Gonzalez

The Unveiling Celebration of The

BRACERO LEGACY MURAL

HONORING THE CONTRIBUTIONS AND SACRIFICES OF THE BRACERO WORKERS OF 1942-1964

FRIDAY, APRIL 18, 2025 • 4:30-6:30pm

At Chualar Liquor • 24335 Grant Street, Chualar, California 93925

ARTS COUNCIL for Monterey County

White Hawk Aztec Dancers • Chualar School District Baile Folklorico • Community Resource Fair • Car Show

For More Information, Contact the Office of Supervisor Luis Alejo at (831) 755-5011

Collaboration with the

City of Soledad

on three murals at Cesar

Chavez Park on Front St

Sept 2024

La Boucherie

See Monterey FY2024-25
Year-End Investment Report
County of Monterey

FY2024-25 Summary by the Numbers

Leveraging the County of Monterey's YTD investment of $**1,913,494** with the combined jurisdiction and hotel investments yielded a tremendous ROI for our entire community. See Monterey's marketing communications efforts contributed to reaching over **9 million** travel-ready households and more than **547,749** ad-influenced trips to Monterey County.

County of Monterey Business Development ROI

- **Economic impact: $2,370,238**
- Leads: 315
  Potential room nights: 56,332
  Potential new business:
  293 Leads, 53,745 Total Room Nights
- Booked groups: 22
- Booked room nights: 3,222
- Annual full-time jobs supported: 25

County of Monterey Marketing Communications ROI

- Partner Site Conversions: **20,229 clicks** from SeeMonterey.com to a local business
- Social Engagements: **313,741** likes, comments, shares, link clicks, and video views
- Earned media impressions: **3.37B**
- PR ad equivalency: **$2,505,400**

County of Monterey Business Membership

- New members: **42** new business members
- Total members: **268** members in unincorporated county
- Events promoted: **71** events published and promoted

See Monterey Website & Visitor App Results

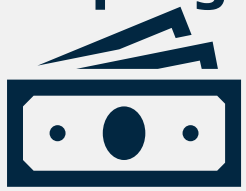
- Total web sessions: **114,449 sessions**
- New downloads of app: **2,346 downloads**
- Total App users: **12,744 Monthly Average Users**

FY24-25 Countywide Impacts

See Monterey's Marketing and Sales programs generate measurable results and strong ROI that add to the County's economic prosperity and resident quality of life.

Marketing Communications programs...

Influenced
547K
Overnight Visitor Trips



Generated
$1.1B
Influenced Visitor Spending

Resulted in
$448
Visitor Spending for Every Ad Dollar

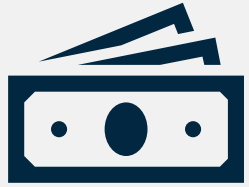
Reached
9M
Traveling Households

Business Development programs...

Generated
775
Leads

Accounted for
203
Groups Booked

Accounted for
83.1K
Room Nights Booked



Booked
$86M
In Economic Impact

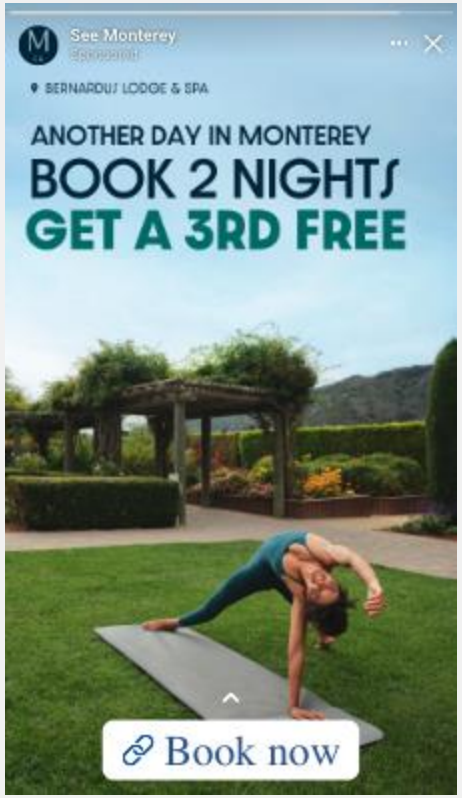
SMARInsights

SEE MONTEREY

Advertising

***Find Your Way Here* Leisure Campaign**
- **103 million** Impressions
- **754,530** Website View

County inclusions in Paid Campaigns:
- *Find Your Way Here* Leisure Campaign
- *The Right Path* Responsible Travel Campaign
- *Seek + Find* Luxury Campaign
- *Inspiration Meets Here* Meetings Campaign
- *Another Day in Monterey* Campaign
- *HOW 2 HWY 1* Campaign



Owned Social Content Featuring County

Big Sur

- 119 Total Posts
- 164,432 Total Engagement

Carmel Valley

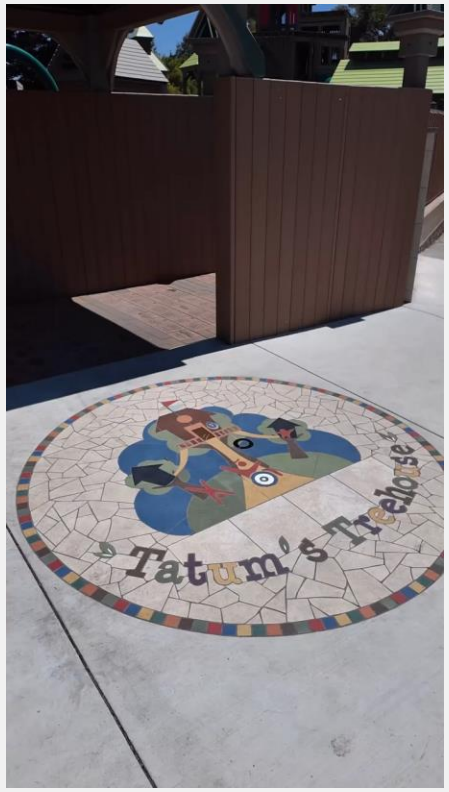
- 57 Total Posts
- 49,141 Total Engagement

Salinas Valley

- 29 Total Posts
- 11,738 Total Engagement

Henry Miller Library – Big Sur

Total Engagements: 55,806



Tatum's Treehouse – Carmel Valley

Total Engagements: 7,339

Steinbeck Birthday – Salinas Valley

Total Engagements: 2,055

Owned Social Content Featuring County

Moss Landing

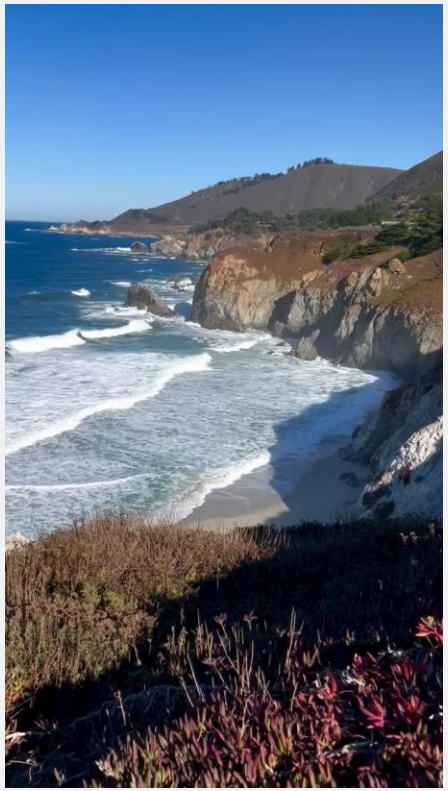
- 29 Total Posts
- 28,302 Total Engagement

Pebble Beach

- 74 Total Posts
- 54,730 Total Engagement

Castroville

- 9 Total Posts
- 5,398 Total Engagement



Kayaking – Moss Landing

Total Engagements: 9,381

17-Mile Dr, The Inn at Spanish Bay & The Hay – Pebble Beach

Total Engagements: 8,253

Phil's Fish Market & Giant Artichoke Restaurant – Castroville

Total Engagements: 1,433

SEE MONTEREY

Website & E-mail Content

Inclusion in:

- **23** Leisure-focused E-Newsletters
- **32** New blog posts

📸 Garrapata State Park / Big Sur

Top Places to View Wildflowers

See Monterey in full bloom! Spring brings warmer temperatures, longer days and wildflowers painting the coastline, fields and hillsides of Monterey County–which means extra time to soak in the beauty.

If you're planning to explore the region's wildflower wonders, adore responsibly by staying on marked trails and off of the flowers.

Where to See Wildflowers 🌸

📸 Earthbound Farm Stand / Carmel Valley

Bonus flower fun–Visit Earthbound Farm Stand on You-Pick Tulip days to wander the tulip fields and pick some favorites to take with you (based on availability and weather).

You-Pick Tulips 🌷

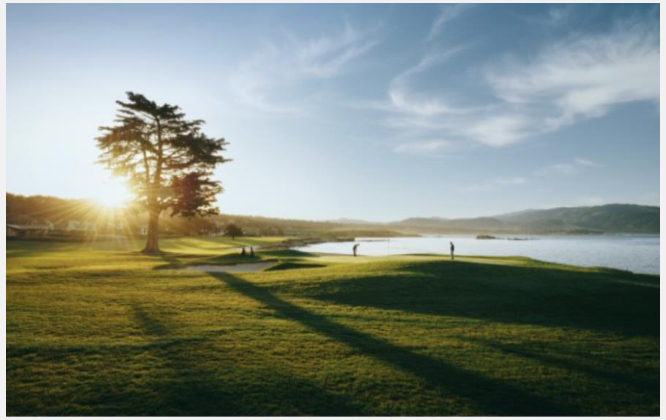
Salinas, California, has the perfect blend of agriculture and literary history. It is the hometown of Nobel-Prize-winning author John Steinbeck. The National Steinbeck Center features many exhibits, artifacts and film clips looking back into Steinbeck's life. In addition, only two blocks away is The Steinbeck House, where John Steinbeck was born. It is now a restaurant and gift shop that visitors can enjoy. Beyond its literary legacy, Salinas is nestled in the heart of the Salinas Valley, known as the "Salad Bowl of the World" for its rich agricultural production. The valley's fertile soil produces a significant portion of the nation's fruits and vegetables.

📸 Captain's Inn / Moss Landing

Make it Official - Book Your Stay

Monterey County's stunning coastal views, charming towns and unforgettable experiences await you! Make your stay official by booking directly with hotels for the best rate, warm hospitality and added flexibility. Find more current deals & specials to sweeten the deal.

Explore Places to Stay 😌



📸 Pebble Beach Golf Links / Pebble Beach

Seasonal Summer Flights to Monterey from Burbank, Carlsbad & Orange County

It's even easier to find your way to Monterey County this summer! Exclusively available for the summer months, award-winning air carrier JSX is offering nonstop service to Monterey (MRY) from Burbank (BUR), Carlsbad (CLD) and Orange County (SNA).

Find Flights to Monterey ✈️

SEE MONTEREY

Public Relations

Article Inclusions
166

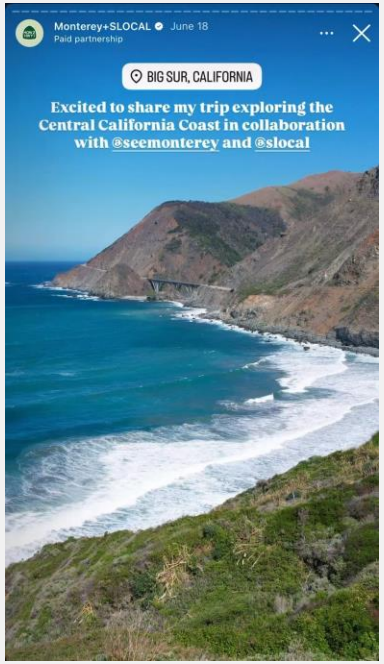
Press Releases
5

Average Media Quality Score
14/20

Impressions
3.37B

Advertising Value Equivalent
$2,505,400

Media Hosted
51



WINE ENTHUSIAST

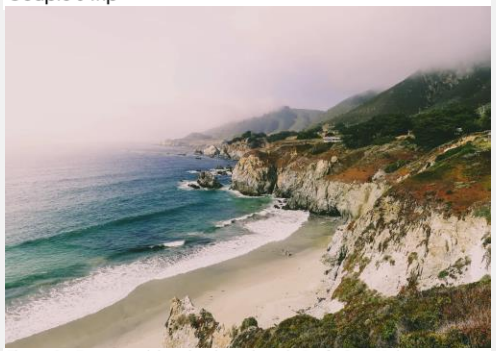
The Best Carmel Valley Wineries (and More) to Visit Right Now

The once—well, maybe still—sleepy village at the heart of Carmel Valley is now the epicenter of wine tasting in Monterey County, one of the largest and most important viticultural regions in all of California. About 20 tasting rooms now huddle beneath stately oaks in the middle of town, with numerous eateries and lodging options just steps, or a few minutes' drive, away.

VOGUE

TRAVEL

Romantic Getaways in the USA That Are Perfect for Any Couple's Trip



Fly into San Francisco and drive three hours down the Pacific Coast Highway to Central California's rugged Big Sur. Bike, hike, or simply take in the expansive views of the Pacific or the forest. Stay at the spectacular Post Ranch Inn, which sits upon a craggy cliff, or go glamping among the Redwoods at Ventana Big Sur. Make sure to stop by Big Sur Bakery for some pastries or Deetjen's for breakfast.

FOOD&WINE

7 Scenic Culinary Destinations Along California's Central Coast

Pair California's Central Coast with creative farm-to-table dining.

By Sharon McDonnell | Published on October 1, 2024

Rugged coastal landscapes and farm-to-table food define California's Monterey Peninsula, and each town has a distinct personality. Carmel-by-the-Sea is an upscale village of manicured beauty, fairytale cottages, more than 60 restaurants (the peninsula's only two with Michelin stars included), and 80 galleries, a throwback to its bohemian art and writer colony origin. Big Sur is famous for hairpin curves on Highway 1, the dramatic Bixby Bridge, and counterculture history, while Pacific Grove is where thousands of Monarch butterflies start to descend in October (plus Victorian inns). Monterey's long-lost sardine-canning industry and working-class history was immortalized in John Steinbeck's *Cannery Row*.

HOW 2 HWY 1

Goal:
Support a long-term shift in messaging that communicates the ease and options of a Big Sur Road Trip regardless of highway conditions or closures

Launch Results:
Landing Page Visits: **1.6K**
Social Engagements: **7K+**
Media Placements: **1,374**
Audience: **175 million**
Ad Value: **$528,000**

Watch Satellite Media Tour Highlights Here

Business Development

Travelers attending meetings and conferences rank among the most valuable to a destination.

Promoted the jurisdiction at 75+industry events across the nation

Presented 15 Co-Op Opportunities in 2025 for County Partners.

Events took place in key states: California, Arizona, Colorado, Texas, Illinois

In-Market Events and FAMS:

HB Conclave, Maritz, Pebble Bach Food & Wine, Northstar Leadership Forum

Exposure at Major Industry Events:

15,500 attendees at IMEX America

5,500 American Society of Association Executives

4,500 Professional Convention Management Association (PCMA) Convening Leaders

2,200 Meeting Professionals at MPIWEC

Community Relations

Business Support & Partnership

Business Support

- **1,200+** hospitality business members across Monterey County
- Hosted **three free workshops** led by our team and industry experts:
  - social media
  - responsible travel
  - international market & travel trade

WAYFINDING

Community Collaboration

- JIC Participation: Highway 1 slip out, Vistra Fire
- Bixby Bridge Task Force
- BSBO administrative support and participation
- Highway 1 local and regional collaboration
- Car Week information hub for visitors and residents
- Collaboration with regional visitor centers and DSA partners

Community Connectivity

Representation & Collaboration

County representation on See Monterey Board of Directors:

- Supervisor Daniels, Director
- MCAC, MCFC, MCFB, Big Sur, Pebble Beach, WeatherTech Raceway Laguna Seca, South County

Monterey County Tourism 2030

In collaboration with and input from community stakeholders, See Monterey published **MCT 2030.**

A guide for sustainable tourism growth that supports economic vitality while protecting the region's natural beauty, cultural heritage, and quality of life for residents.

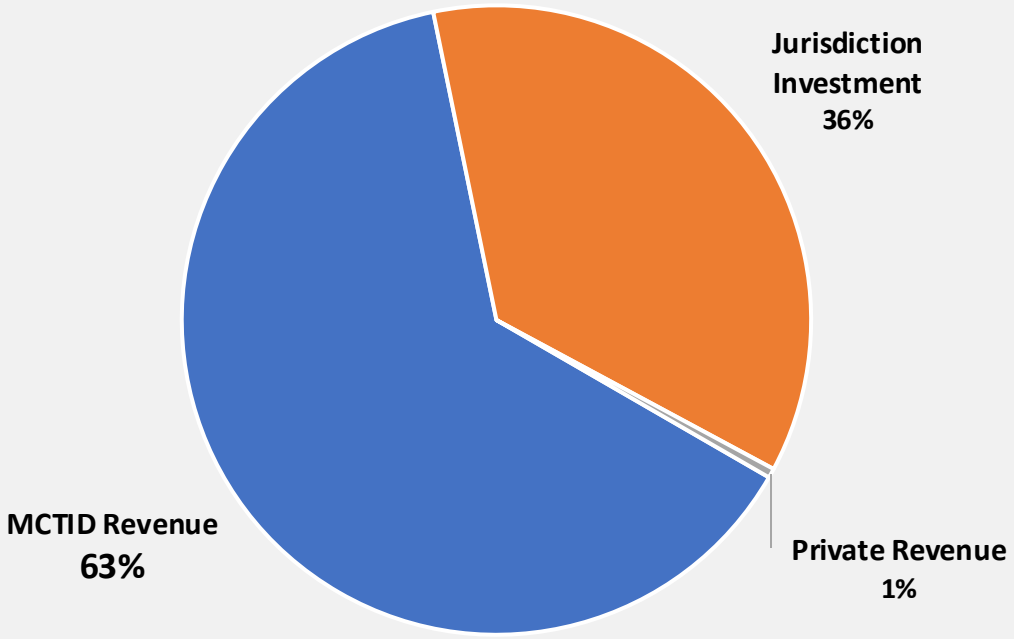
Regular collaboration with countywide partners:

- Monterey County Hospitality Association
- Monterey County Vintners & Growers Association
- Monterey County Farm Bureau
- Monterey County Business Council
- Monterey Bay Economic Partnership
- Regional Chambers
- Cal State Monterey Bay
- And more...

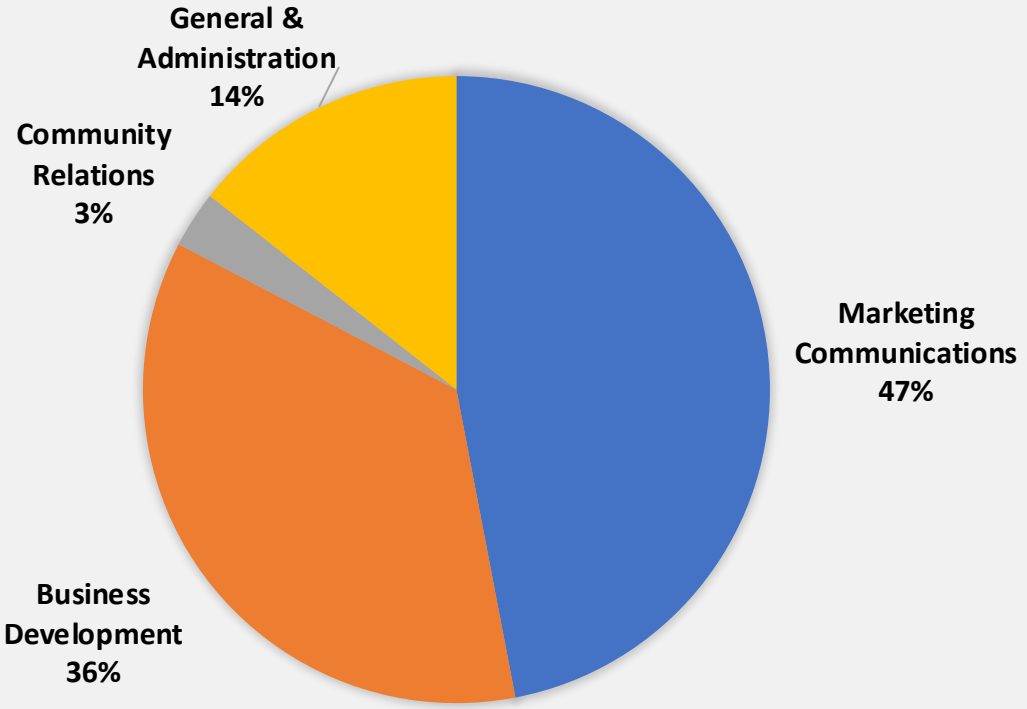
FY2024-25

REVENUE AND EXPENSE BREAKDOWN

FY2024-25 REVENUE



FY2024-25 EXPENSE



See Monterey ranks 6th out of 8 in budget firepower—yet consistently delivers outsized results compared to better-funded competitors. The County's investment ensures Monterey County remains competitive.

Thank you for your continued partnership.

If you have questions or would like to request a meeting or presentation, please contact:

Alyssa Rendon Heinzer
Director of Community Relations
Alyssa@SeeMonterey.com

FY2024-25 Board of Directors

Chair:	**Bina Patel**	**Peninsula Hospitality Group**
Secretary	Fady Hanna	Lighthouse Lodge
Chair Elect	Janine Chicourrat	Portola Hotel & Spa
Treasurer	Erik Uppman	Cannery Row Company
	Chris Sommers	Monterey Plaza Hotel & Spa
	Margaret D'Arrigo	City of Salinas
Past Chair	Amrish Patel	Green Lantern Inn
	Dale Johnson	Embassy Suites
	Kate Daniels	Monterey County
	Ed Smith	City of Monterey
	Mel Harder	WeatherTech Raceway Laguna Seca
	Kelly Green	Hestia Coffee
	Sylvain Briens	Sanctuary Beach Resort
	Amy Herzog	Visit Carmel
	Donna Langley	Pebble Beach Resorts
	Stefan Lorch	Monterey Marriott
	Kevin Ellis	Hyatt Regency Monterey
	Kirk Gafill	Nepenthe / Phoenix Corp
	John Turner	Intercontinental The Clement
Advisor:	Paige Viren	MCHA
	Open	MCVGA
	Paula Joy MacNab	MC Film Commission
	Chris Morello	Monterey Regional Airport
	Tonya Hufford	MCC
	Jacquie Atchison	Arts Council for MC
	Norm Groot	MC Farm Bureau
	Hans Uslar	City of Monterey
	Liesbeth Visscher	City of Marina
	Sean Panchal	Presidents Inn
	Hartmut Ott	Monterey County
	Dana Allen-Greil	Monterey Bay Aquarium
	Erin Sollecito	Monterey Touring Vehicles
	Mike LaBarre	King City (Mayor)
	Anna Velazquez	Soledad (Mayor)
	Michelle Overmeyer	MST
Staff:	Rob O'Keefe	See Monterey

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

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SUITE 200
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FAX 831-757-9529

BKPCPA.COM

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Monterey County Destination Marketing Organization, Inc.
dba See Monterey
Monterey, California

Opinion

We have audited the accompanying financial statements of Monterey County Destination Marketing Organization, Inc., dba See Monterey (Organization), a nonprofit corporation, which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2024 and 2023, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2024, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Brandli, Karavan + Pope, LLP

Salinas, California
November 1, 2024

FINANCIAL STATEMENTS

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	$ 1,987,913	$ 1,243,344
Accounts receivable - Note 2	1,571,120	1,507,778
Other receivable	-	20,903
Prepaid expenses and deposits	149,840	422,322
TOTAL CURRENT ASSETS	3,708,873	3,194,347
PROPERTY AND EQUIPMENT - net - Note 3	143,282	-
OPERATING RIGHT OF USE ASSETS - Note 6	1,029,701	47,388
TOTAL ASSETS	$ 4,881,856	$ 3,241,735

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 387,311	$ 954,351
Accrued expenses - Note 5	343,875	415,647
Contract liabilities	30,140	-
Current portion of operating lease liabilities - Note 6	75,530	42,129
TOTAL CURRENT LIABILITIES	836,856	1,412,127
OPERATING LEASE LIABILITIES - net of current portion - Note 6	961,360	4,355
TOTAL LIABILITIES	1,798,216	1,416,482
NET ASSETS WITHOUT DONOR RESTRICTIONS	3,083,640	1,825,253
TOTAL LIABILITIES AND NET ASSETS	$ 4,881,856	$ 3,241,735

The accompanying notes are an integral part of these financial statements.

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
SUPPORT AND REVENUES		
Tourism Improvement District income	$ 7,717,459	$ 3,840,143
Jurisdiction investment	3,910,367	3,804,806
Public contracts and federal assistance	474,757	798,298
Marketing	41,201	45,315
Interest income	7,837	6,744
Miscellaneous	7,317	26,964
TOTAL SUPPORT AND REVENUES	12,158,938	8,522,270
EXPENSES		
Program Services		
Marketing communications	5,049,595	5,157,705
Group business development	4,050,536	3,355,445
Community relations	339,997	275,932
Total Program Services	9,440,128	8,789,082
Support Services		
Administration	1,460,423	1,151,232
TOTAL EXPENSES	10,900,551	9,940,314
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,258,387	(1,418,044)
NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR	1,825,253	3,243,297
NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR	$ 3,083,640	$ 1,825,253

The accompanying notes are an integral part of these financial statements.

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	Program Services			Support Services	
	Marketing Communications	Group Business Development	Community Relations	Administration	Total
Advertising	$ 3,562,746	$ 856,095	$ -	$ -	$ 4,418,841
Salaries and wages	700,966	1,220,257	193,373	664,539	2,779,135
Conventions and meetings	-	1,516,379	69,893	22,149	1,608,421
Promotion	344,905	30,315	759	-	375,979
Information Technology	-	-	13,887	270,984	284,871
Employee benefits	87,515	100,949	19,790	53,477	261,731
Research	197,084	61,580	-	-	258,664
Payroll taxes	55,746	93,643	15,085	44,747	209,221
Professional fees	-	-	-	149,336	149,336
Travel	20,518	60,985	4,680	55,290	141,473
Rent - Note 6	35,438	41,026	12,011	27,429	115,904
Memberships and subscriptions	14,705	17,899	-	53,126	85,730
Professional development	17,159	33,820	6,592	11,071	68,642
Supplies	-	-	-	54,729	54,729
Insurance	-	-	-	23,364	23,364
Equipment maintenance	4,375	5,065	1,483	8,299	19,222
Telephone	3,297	6,321	813	3,950	14,381
Utilities	4,507	5,217	1,527	2,987	14,238
Service fees	-	-	-	12,708	12,708
Printing and postage	327	629	-	2,015	2,971
Depreciation - Note 3	307	356	104	203	970
Interest expense	-	-	-	12	12
Taxes and licenses	-	-	-	8	8
TOTAL FUNCTIONAL EXPENSES	$ 5,049,595	$ 4,050,536	$ 339,997	$ 1,460,423	$ 10,900,551

The accompanying notes are an integral part of these financial statements.

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2023

	Program Services			Support Services	
	Marketing Communications	Group Business Development	Community Relations	Administration	Total
Advertising	$ 3,904,477	$ 773,866	$ -	$ -	$ 4,678,343
Salaries and wages	584,884	1,087,268	135,227	612,200	2,419,579
Conventions and meetings	-	1,092,262	65,939	64,299	1,222,500
Promotion	259,061	33,537	4,384	-	296,982
Research	181,319	80,097	-	-	261,416
Information Technology	67,597	91,022	30,623	33,850	223,092
Payroll taxes	45,563	77,384	10,604	45,232	178,783
Professional fees	-	-	-	159,928	159,928
Employee benefits	41,747	-	16,115	59,808	117,670
Travel	15,818	50,798	1,760	37,964	106,340
Rent - Note 6	25,374	33,941	5,222	20,754	85,291
Memberships and subscriptions	14,191	17,266	-	34,869	66,326
Professional development	15,078	12,865	5,633	14,096	47,672
Supplies	-	-	-	16,860	16,860
Equipment maintenance	-	-	-	14,372	14,372
Utilities	-	-	-	12,089	12,089
Insurance	-	-	-	11,726	11,726
Telephone	2,567	4,744	396	3,326	11,033
Service fees	-	-	-	9,078	9,078
Printing and postage	29	395	29	517	970
Taxes and licenses	-	-	-	225	225
Interest expense	-	-	-	39	39
TOTAL FUNCTIONAL EXPENSES	$ 5,157,705	$ 3,355,445	$ 275,932	$ 1,151,232	$ 9,940,314

The accompanying notes are an integral part of these financial statements.

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets without donor restrictions	$ 1,258,387	$ (1,418,044)
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by (used in) operating activities:		
Depreciation	970	-
Change in operating lease assets and liabilities	8,093	(904)
(Increase) decrease in:		
Accounts receivable	(63,342)	(24,709)
Other receivable	20,903	(20,903)
Prepaid expenses and deposits	272,482	(224,764)
Increase (decrease) in:		
Accounts payable	(567,040)	705,725
Accrued expenses	(71,772)	156,220
Contract liabilities	30,140	(154,540)
Net cash provided by (used in) operating activities	888,821	(981,919)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(144,252)	-
Net cash used in investing activities	(144,252)	-
NET INCREASE (DECREASE) IN CASH	744,569	(981,919)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,243,344	2,225,263
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,987,913	$ 1,243,344
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest expense	$ 12	$ 39

The accompanying notes are an integral part of these financial statements.

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC.
dba SEE MONTEREY
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Monterey County Destination Marketing Organization, Inc., dba See Monterey (Organization) is a California nonprofit corporation established in May 2000. The assets and liabilities of two predecessor organizations, the Monterey County Travel and Tourism Alliance and the Monterey Peninsula Visitors and Convention Organization, Inc., were conveyed and transferred effective July 1, 2000, under a plan to form a single destination marketing organization for the Monterey County area. In October of 2023, the Organization changed its dba from Monterey County Convention and Visitors Bureau to See Monterey.

The primary purposes of the Organization are to provide a mutual exchange of information for those entities in Monterey County which foster and encourage the business of tourism and travel; increase tourist visitation to Monterey County through strategic marketing plans, service and information programs and direct sales efforts; and increase awareness of Monterey County as a tourist destination through effective visitor service programs.

In return for jurisdiction investment, the Organization provides programs and services to market tourism to the County of Monterey and the cities of Monterey, Carmel-by-the-Sea, Marina, Pacific Grove, Salinas and Seaside.

On October 17, 2006, an ordinance of the City Council of Monterey established the Monterey County Tourism Improvement District (MCTID) within the County of Monterey under the 1989 law. The cities participating in the MCTID include Carmel-by-the-Sea, Marina, Monterey, Pacific Grove, Salinas and Seaside. The County of Monterey also participates in the MCTID. The MCTID levies an assessment on the lodging businesses of the participating cities and county based upon a flat fee of $7.00 per occupied room per night for luxury lodging businesses, $4.50 per occupied room per night for full-service lodging businesses and $1.50 per occupied room per night for limited-service lodging businesses, as defined by Smith Travel Research. On November 6, 2018, the City Council of Monterey adopted a resolution declaring the results of the majority protest proceeding and paving the way to re-establish the MCTID within the County of Monterey under the 1994 law effective January 1, 2019. On November 20, 2018, the City Council of Monterey adopted a resolution dis-establishing the MCTID under the 1989 law.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nature of Activities (Continued)

Assessments remain the same under the re-established MCTID and are reviewed at a minimum annually by the MCTID Oversight Committee, an advisory committee of the Organization Board. Any assessment increase must be approved by a two-thirds (2/3) vote of the full membership of the MCTID Committee.

Basis of Accounting and Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenues are recognized when performance obligations are satisfied and expenses are recognized when the related liability is incurred. The Organization reports information regarding its financial position and activities to the following two classes of net assets:

- Net assets without donor restriction: Net assets which are not subject to or are no longer subject to donor-imposed stipulations.

- Net assets with donor restriction: The use of these net assets is limited by donor-imposed time and/or purpose stipulations. The Organization had no donor restricted net assets as of June 30, 2024 and 2023.

Recognition of Donor Restrictions

Revenues are reported as increases in net assets without restriction unless use of the related assets is limited by donor-imposed restrictions. Support that is restricted by the donor is reported as an increase in net assets without restriction if the restriction expires in the reporting period in which the support is recognized. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on assets are reported as increases or decreases in net assets without restriction unless their use is restricted by explicit donor restriction or by law.

Fair Value of Financial Instruments

The Organization's financial instruments, including cash, accounts receivable, accounts payable and accrued expenses are carried at cost, which approximates their fair value due to the short-term maturity of these instruments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For the purposes of cash flows, the Organization considers all demand deposits, money market funds and securities with original maturities of 90 days or less to be cash equivalents.

Accounts Receivable

Receivables generally represent various amounts owed to the Organization under contractual arrangements with various governmental entities and MCTID assessments. Receivables are recorded using the allowance method and are presented net of the allowance for credit losses. At June 30, 2024 and 2023 the allowance is $-0-.

Property and Equipment

Property and equipment are recorded at cost, and donated property and equipment is recorded at estimated fair market value on the date contributed to the Organization. It is the policy of the Organization to capitalize all property and equipment purchases greater than $5,000 with an estimated useful life of greater than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to fifteen years.

Expenditures for maintenance and repairs are charged to expense as incurred. Renewals or betterments of significant items are capitalized. When assets are sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is recognized.

Assets donated with explicit restrictions regarding their use and contributions of cash that are restricted to property and equipment purchases are reported as donor restricted support. Absent donor stipulations regarding how long those donated assets are to be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in their specified service, at which time the donor restricted net assets are reclassified as net assets without donor restriction.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

For most contracts with customers, the Organization recognizes revenues when the performance obligation is satisfied, which is the point at which control of the services are transferred to its customers, in an amount that reflects the consideration the Organization expects to be entitled to receive in exchange for those services. For the majority of the Organization's customer arrangements, control transfers to customers at a point-in-time when destination marketing and promotion services are performed, as that is generally when risks and rewards of services transfers to the customer. The timing of satisfaction of the performance obligation is not subject to significant judgment.

Contract liabilities represent advances received for sponsorships, cooperative marketing activities fees, public contracts and other services in advance of the Organization's performance obligations.

Sponsorships, cooperative marketing activities fees, public contracts and other services for the succeeding fiscal year are billed prior to the end of the current fiscal year. Sponsorships, fees, and other services included in contract liabilities on the Statements of Financial Position, were $30,140 and $-0- at June 30, 2024 and 2023, respectively, and represent amounts collected or advanced before year-end but not earned until the subsequent year.

Cooperative marketing activities billed for the succeeding fiscal year but not collected at June 30, 2024 and 2023, were $-0- and $-0-, and are not reflected in these financial statements at June 30, 2024 and 2023, respectively.

Donated Services

Donated services are not recorded unless such services create or enhance non-financial assets or require specialized skills and are so essential that they would be purchased if not provided by donation.

Expense Allocation

Expenses relating to more than one function are allocated to program services and support services. Allocated salaries are based on employee time and expense studies. In addition, rent, information technology, gain or loss on property and equipment dispositions, and depreciation expenses are allocated based on a headcount, or the number of employees for each program.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk

The Organization maintains bank accounts at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 for the years ended June 30, 2024 and 2023, respectively. Cash at these institutions exceeds federally insured limits at various times during the year. The amount in excess of the FDIC limits totaled $1,700,000 and $714,113 as of June 30, 2024 and 2023, respectively. Management believes there is no significant risk with respect to these deposits. Further, the Organization's financial policies allow for bank balances to be greater than insured limits.

Income Taxes

As a tax-exempt not-for-profit organization, the Organization is exempt from federal income taxes under 501(c)(6) of the Internal Revenue Code and from state franchise tax under California Revenue and Taxation Code Section 23701(e), but is subject to taxes on unrelated business income when earned. GAAP provides accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's tax returns are subject to possible examination by federal and state taxing authorities. For federal income tax purposes, the Organization's tax years 2021 through 2023 remain open for possible examination by the Internal Revenue Service. For state income tax purposes, the Organization's tax years 2020 through 2023 remain open for possible examination by the Franchise Tax Board.

Advertising Costs

As part of its exempt purpose, the Organization coordinates and conducts several advertising campaigns to promote tourism in the Monterey County area. Since the Organization does not directly derive any revenue from such campaigns, all advertising costs are expensed as incurred. Advertising costs were $3,168,676 and $2,942,437 for the years ended June 30, 2024 and 2023, respectively.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Organization recognizes a right-of-use asset and lease liability, measured at the present value of the lease payments, for leases greater than 12 months. The Organization calculates its lease right-of-use asset and lease liability using its incremental borrowing rate and terms under the lease agreements. The Organization uses the risk-free discount rate when the rate implicit in the lease is not readily determinable at the commencement date in determining the present value of lease payments. The Organization amortizes lease right-of-use assets over the respective lease term.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain amounts in the 2023 financial statements have been reclassified to conform to the June 30, 2024, presentation. These reclassifications had no effect on net income.

New Accounting Standard

In June 2016, the FASB issued ASU 2016-13, Financial Credit Losses (Topic 326), which changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected credit loss model which is based on an estimate of current expected credit loss (CECL). The Organization adopted the provisions of ASU 2016-13 on July 1, 2023, and this adoption did not have a material impact on the financial statements.

Subsequent Events

Subsequent events have been evaluated through November 1, 2024, which is the date the financial statements were available to be issued.

2. ACCOUNTS RECEIVABLE

Accounts receivables consist of the following at June 30:

	2024	2023
Tourism Improvement District receivables	$ 1,552,092	$ 813,691
Jurisdiction investments and miscellaneous receivables	19,028	694,087
Accounts receivable	$ 1,571,120	$ 1,507,778

3. PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following at June 30:

	2024	2023
Information Technology	$ 198,496	$ 203,767
Furniture and equipment	86,560	37,206
	285,056	240,973
Less accumulated depreciation	(204,514)	(240,973)
	80,542	-
Construction in progress	62,740	-
Property and equipment - net	$ 143,282	$ -

Depreciation expense totaled $970 and $-0- for the years ended June 30, 2024 and 2023, respectively.

4. LINE OF CREDIT

In December 2014, the Organization entered into a collateralized line of credit agreement with Rabobank, now known as Mechanics Bank, with a maximum amount available for borrowing of $200,000 and an interest rate of Wall Street Journal Prime Rate plus 4.00%. In February 2022, the Organization renewed this line of credit for eleven months and it matured in January 2023. The Organization did not renew this line of credit.

4. LINE OF CREDIT (Continued)

In January 2024, the Organization entered into a collateralized line of credit agreement with Pacific Valley Bank, with a maximum amount available for borrowing of $400,000 and an interest rate of 8.50% as of June 30, 2024. The Organization's outstanding balance on this line of credit was $-0- as of June 30, 2024.

5. ACCRUED EXPENSES

Accrued expenses consist of the following at June 30:

	2024	2023
Accrued wages and other compensation costs	$ 204,240	$ 270,755
Accrued compensated absences	139,635	128,714
Accrued retirement benefits	-	16,178
Accrued expenses	$ 343,875	$ 415,647

6. LEASE COMMITMENTS

The Organization leases its administrative office space, storage space and various equipment under operating leases.

In May 2020, the Organization entered a lease agreement for administrative office space located on Webster Street in Monterey. Monthly rent was $3,900 with annual increases of 3%. This lease expired in December of 2023 and was not renewed.

In May 2024, the Organization entered into a five-year lease for office space on Pacific Street, in Monterey, with one renewal option of five years. All lease extension options are expected to be exercised as of June 30, 2024, therefore, the lease agreement is expected to expire in April 2034. Monthly rental payments under this lease are $9,809 in the first year, increasing 2.5% every subsequent year after.

	2024	2023
Weighted-average discount rate	4.62%	2.84%
Weighted-average remaining lease term (years)	9.79	0.76

6. LEASE COMMITMENTS (Continued)

Rent expense consists of the following at June 30:

	2024	2023
Administrative space rent	$ 108,961	$ 78,658
Storage space	3,240	2,930
Equipment	3,703	3,703
Rent expense	$ 115,904	$ 85,291

The future minimum lease commitments for the years ending June 30 are as follows:

Fiscal Year Ended June 30,	Amount
2025	$ 121,900
2026	122,386
2027	124,165
2028	127,199
2029	130,380
Thereafter	677,348
Total minimum lease payment	1,303,378
Less present value discount	266,488
Total operating lease obligation	$ 1,036,890

During the years ended June 30, 2024 and 2023, the Organization also had offsite storage with lease terms that were each shorter than 12 months. The Organization elected not to apply the recognition requirements in ASC 842 to such short-term leases and instead recognized the related lease payments as expenses on a straight-line basis over the respective lease term in the period in which the obligation for those payments is incurred.

7. RETIREMENT PLAN

The Organization maintains a 401(k) plan, which is available to all employees to make contributions regardless of age or service. Effective January 1, 2022, for all participants who have attained the age of eighteen and have no less than one year and 1,000 hours of total service with the Organization, the Organization matches the employees' contributions at a rate of 100% for the first 4% of eligible compensation plus 50% of the next 2% of employees' eligible compensation. Retirement plan contributions charged to expense were $108,473 and $87,188 for the years ended June 30, 2024 and 2023, respectively.

8. CONCENTRATION OF RISK

Approximately $9,200,000 and $5,900,000 of the Organization's total revenues, or 75% and 69%, were provided by Monterey County, the City of Monterey and hotels within the City of Monterey and the unincorporated areas of Monterey County for the years ended June 30, 2024 and 2023, respectively. The ability of the Organization to continue as a viable entity is dependent upon the continued support of Monterey County, the City of Monterey and hotels within the City of Monterey and the unincorporated areas of Monterey County.

9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general expenditure within one year.

	2024	2023
Financial assets:		
Cash and cash equivalents	$ 1,987,125	$ 1,243,344
Accounts receivable	1,571,120	1,507,778
Other receivable	-	20,903
Total financial assets	$ 3,558,245	$ 2,772,025
Financial assets available to meet cash needs for expenditures within one year	$ 3,558,245	$ 2,772,025

The Organization does not have financial assets unavailable for general expenditure within one year. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Monterey County Destination Marketing Organization, Inc.
dba See Monterey
Monterey, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, Monterey County Destination Marketing Organization, Inc., dba See Monterey (Organization), a nonprofit corporation, which comprise the statements of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 1, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brandli, Karavan + Royce, LLP
Salinas, California
November 1, 2024

DSA PROJECT ANNUAL PERFORMANCE REPORT

July 1, 2024 ★ June 30, 2025

MONTEREY COUNTY
FILM COMMISSION

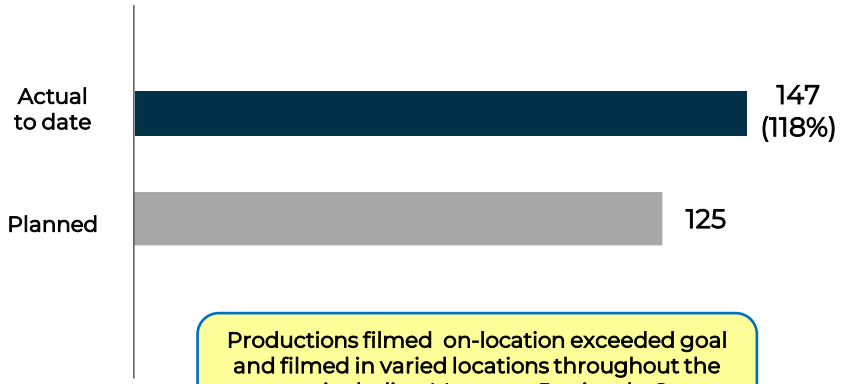
MONTEREY COUNTY
FILM COMMISSION

Our mission is to inspire and facilitate film
and media production throughout Monterey County,
creating positive economic impact.

FY 2024-25 (Annual) Performance Goals Summary

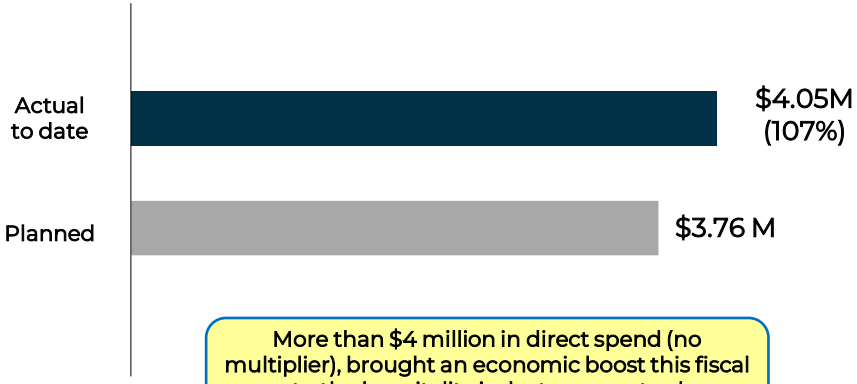
MONTEREY COUNTY FILM COMMISSION

Film Productions —118% of Goal



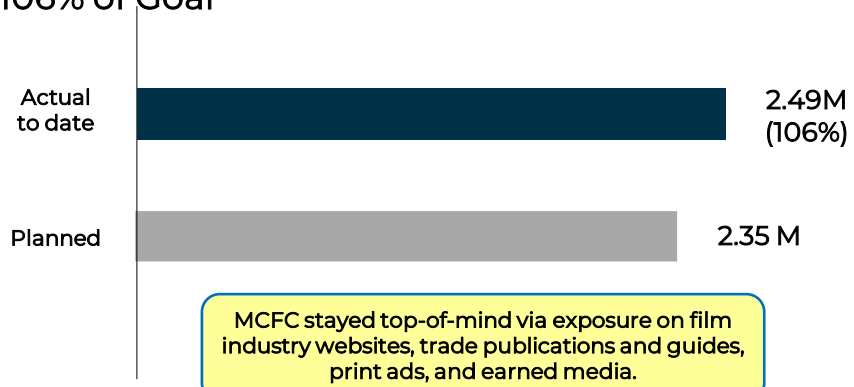
Productions filmed on-location exceeded goal and filmed in varied locations throughout the county including Monterey Peninsula, State Parks, and Big Sur properties.

Total Local Spend — 107% of Goal



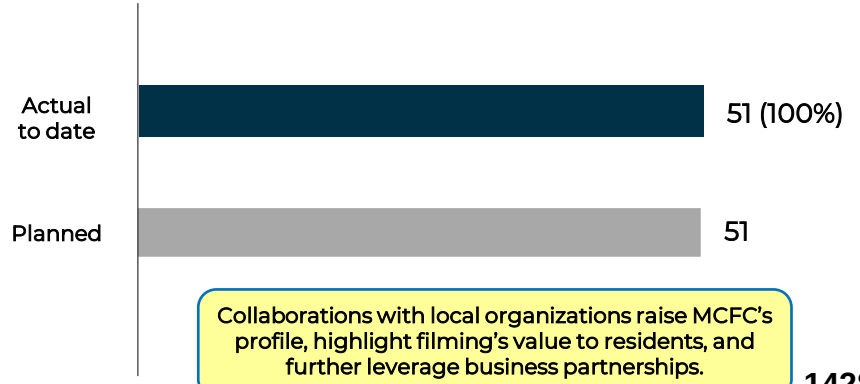
More than $4 million in direct spend (no multiplier), brought an economic boost this fiscal year to the hospitality industry, crew, tax base, and small businesses.

Expand Reach of Advertising & Promotions — 106% of Goal



MCFC stayed top-of-mind via exposure on film industry websites, trade publications and guides, print ads, and earned media.

Collaborations & Partnerships — 100% of Goal



Collaborations with local organizations raise MCFC's profile, highlight filming's value to residents, and further leverage business partnerships.

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

DEVELOPMENT SET-ASIDE AGENCY INFORMATION	
DSA Agency Name: Monterey County Film Commission	**Project Description:** Contractor to provide, develop and implement programs that promote Monterey County as a film destination and generate increased business, revenue, and jobs throughout Monterey County.
Contract Amount: $289,742.00	**Fiscal Year:** July 1, 2024 to June 30, 2025

Project Contact Completing Form:	Karen Seppa Nordstrand or Moira LaMountain	**Title:**	Monterey County Film Commissioner Office Administrator
Primary Telephone:	831-646-0910	**Email:**	Karen@FilmMonterey.org or Moira@FilmMonterey.org
Address:	801 Lighthouse Avenue, Suite 104, Monterey, CA 93940 / P.O. Box 111, Monterey, CA 93942-0111		

Progress Report Reporting Period:

Ck current report period	**Reporting Period:**
☐	**Presentation to the Board of Supervisors on 1/28/2025 for half year results**
☐	
☒	**Annual Report** 7/1/24 - 6/30/25 ***(Due: 07/31/25)***

Performance Report Submittal Date:	07/30/2025

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

GOAL 1 – Increase Film Industry Outreach and Local Facilitation Efforts

Objective: Influence quantity of film inquiries and contacts through timely 24/7 'Best Practices' responsiveness. Increase the number of film productions that select Monterey County as their location destination and expand the total spend.

Proj	Activities	Performance Measure	Expected Outcome	Planned	FY2024-25 Results	% of Goal Completed
Task 1a	Attract and facilitate the number of inquiries that have positive results.	Numerical increase in positive inquiries as summarized in the film commission records.	Increase in positive inquiries as compared with the previous year by 5%.	Increase from 290 to 304 positive inquiries.	251	83%
1b	Track the number of media productions occurring in Monterey County.	Productions occurring in Monterey County as measured by film commission records and State issued permits.	Increase in productions as compared with the previous year by 10%.	Increase from 114 to 125 media productions.	147	118%
1c	Increase the total spend from film production.	Numerical of total spent from film production as summarized in film commission records.	Increase in total spend from film productions as compared with a 3-year average and increase by 5%.	Increase from $3.47M to $3.76M total film production spending.	$4.04M	107%

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

Provide a narrative of year-to-date accomplishments of Project Goal #1
Increase Film Industry Outreach and Local Facilitation Efforts

COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated.

Are project goal(s) substantially on schedule and performance measures being achieved? Yes ☒ No ☐

NARRATIVE:

July 1, 2024 – June 30, 2025

In fiscal year 2024-25, the nonprofit Monterey County Film Commission (MCFC) effectively brought filmmaking's financial benefits to our area in an increasingly competitive arena, helping smooth the way for film productions interested in filming in the county. Productions take pictures and leave behind money providing an economic boost in support of local crew, the hospitality industry, and many providers of goods and services. Since MCFC was established by the Monterey County Board of Supervisors in 1987, more than **$142 million** has come into county communities from on-location film productions.

The MCFC is pleased to report that this year's goal of propelling positive economic impact for Monterey County communities through the film industry was exceeded, at **$4.05 million** in direct spend (107% of goal). This was despite a slowdown in inquiries and an industry-wide contraction in production activity throughout the state, with impacts from post-Writer's Guild of America (WGA) and SAG-AFTRA union strikes, disastrous fires affecting productions and film professionals in Los Angeles, and a slow rebound due to less streaming content development and other issues. Other local challenges to film activity were the annual county summer moratorium on filming Highway 1 with intermittent traffic control (which most car shoots require), and the highway's closure to through traffic in southern Big Sur, due to the long-running work on repairs to the Highway 1 Regents Slide in southern Big Sur. This led to slightly lower number of film inquiries, at 251 or 83 percent of MCFC's annual goal.

This fiscal year there were **147 on-location film productions** in Monterey County, which exceeded MCFC's Goal 1 target of 125 at 118 percent. Among the productions were TV shows, commercials, fashion shoots, tourism videos, documentaries, still photo shoots, student films, and more. Two major feature films were shot on-location, and with high-end budgets they made a dramatic financial impact.

"Whalefall"—a Disney/20th Century Studios feature film—left more than $930,000 in local spend during preproduction and a week of on-location filming in June 2025. It was a recipient of the California Film & Television Tax Credit Program, which is administered by the California Film Commission. Their expenditure report notes that 11 local crew and 118 local background performers were hired, with local vendor spend for hotel, location fees and permits, rentals and purchases, and more. The film is based on a NY Times bestselling book, "Whalefall," which identifies Monastery Beach, and hopefully the final movie retains name recognition for Monterey Peninsula sites to encourage spinoff tourism when the film is released likely in 2026. Film locations included Monastery Beach, Bay School, Pacific Grove cemetery, Highway 1, Monterey High School, Monterey Bay water scenes near the Coast Guard Pier, and

Project Goal #1 (continued)
Monterey County's Jacks Peak Park, with base camp space rented at the Crossroads Shopping Center benefiting the Pt. Lobos Foundation. A star who filmed here was Austin Abrams. Ron Howard is one of the film's producers. Josh Brolin will star in the Los Angeles area scenes.

"Maintenance Required," another feature, filmed in September 2024 in Pacific Grove and on General Jim Moore Boulevard in Seaside after filming in San Francisco and England. Madelaine Petsch and Jacob Scipio starred in Monterey County scenes.

Other production highlights: KQED's "Check Please" TV show (at Julia's Vegetarian Restaurant, Pacific Grove; El Bistro by the Sea Restaurant, Carmel-by-the-Sea; The Meatery in Seaside; and Schooners at Monterey Plaza Hotel). The BBC and Brand USA tourism video "BBC Story Works" featured Carmel-by-the-Sea with Hilary Swank. Johnston & Murphy fashion chose Carmel Valley's Holman Ranch and Folktale Winery while Todd Snyder and Tom Ford fashion shoots used state parks in Big Sur, Asilomar and Pt. Lobos. There were car shoots at WeatherTech Raceway Laguna Seca, Pebble Beach Concours d'Elegance, Porsche in Carmel, and the "Driven by Legacy" documentary (Highway 1 car rally). The "90 Day Fiancé" TV episode filmed Monterey sites. Big Sur was the choice for a commercial for Audi Q5, and a Honda 2026 CR-V TS reveal shoot at a private ranch.

New potential film sites were photographed for MCFC's location library including a private home in Big Sur, plus locations in Carmel Valley, Salinas Valley crops, a Soledad farm, and Central Coast College hospital setting in Salinas.

The film commissioner attended film industry professional development training and had opportunities to connect personally and promote filming in Monterey County with producers and location scouts and managers in Los Angeles at the Association of Film Commissioners International (AFCI) Week at UCLA and a Fox Studio Lot event, the Location Managers Guild International (LMGI) awards event, and the California On Location Awards event (MCFC was a film commission sponsor as a member of Film Liaisons in California Statewide (FLICS), which is a statewide organization of 40 film offices in California), plus a Netflix meeting with FLICS members and various Netflix producers.

Other exposure for Monterey County comes from MCFC membership in Association of Independent Commercial Producers (AICP), Film USA, a national film commission organization, and as a partner with the California Film Commission (CFC). MCFC joined a new film "Location Lounge" platform launch which is to provide a steady stream of attention and opportunity for direct connections from film professionals actively seeking locations.

Statewide California Film & Television Tax Credit Program: Film & Television Jobs Act 4.0

As a member of the FLICS organization, the MCFC was supportive of Gov. Gavin Newsom's proposed expansion of the state's annual film and television tax credit program from $330 million to $750 million and the revamping of the program to strengthen California's position as a global production leader and ensuring more jobs and opportunities across the state. California has been losing production business to other states and countries who offer much more lucrative incentives, luring productions away from the state.

FLICS joined the many unions, guilds, and industry stakeholders statewide advocating to make this incentive expansion possible in the past year. Ultimately the California Legislature understood the importance, the bill passed, and the governor was able to sign the legislation for the Statewide Film & Television Jobs Act 4.0 to become effective in July. Hopefully there will be a more sustainable future for California's creative workforce now, and more opportunities for productions to take advantage of the program and its boost for filming outside the LA Zone, in places like Monterey County.

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

GOAL 2 – Expand Industry Marketing and Promotion Opportunities

Objective: Marketing and communication about Monterey County to film production industry.

Proj	Activities	Performance Measure	Expected Outcome	Planned	FY2024-25 Results	% of Goal Completed
Task A	Increase promotional placements in trade industry and other media.	# of trade association, co-op, and guide listing promotional placements.	Increase in promotional placements as compared with the previous year by 5%.	Increase from 40 to 42 trade association placements.	42	100%
B	Expand reach from film trade advertising.	Exposure (reach) of placements.	Increase in reach as compared with the previous year and increase by 5%.	Increase from 2,240,373 to 2,352,391.	2,492,198	106%
C	Track website exposure for propelling marketing message.	# of “Unique Visitors” count.	Increase “Unique Visitors” count by 10%.	Increase from 16,225 to 17,848.	16,117	90%

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

Provide a narrative of year-to-date accomplishments of Project Goal #2
Expand Industry Marketing and Promotion Opportunities

COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated.

Are project goal(s) substantially on schedule and performance measures being achieved? Yes ☒ No ☐

NARRATIVE:

July 1, 2024 – June 30, 2025

MCFC continued to develop and place advertising in film industry publications with online page-turners, many with a year's duration:

- A half page ad, "Make the Scene in Monterey County" ran in the UK Focus tradeshow's "Makers" a global production publication with page-turner. The London show connects content creators and facilitators from over 100 countries. Placement also includes year-long display of MCFC showreel, logo, locations slideshow, and website link.
- Half-page ad placement in the Locations International magazine, with distribution at Cannes Film Festival and other global festivals
- A new full-page ad, "Monterey County: Our locations speak for themselves," in Compass, the official magazine of the Location Managers Guild International featured voice bubbles describing film sites in Monterey County.
- A quarter-page ad, "You Otter be Proud" ran in the COLA (California On Location Awards) magazine, congratulating film industry COLA Award winners at the COLA event, spotlighting top location scouts and managers.
- MCFC photos and spotlight was in a co-op ad section for FLICS in Destination Film Guide magazine.
- Membership in Film USA organization provides monthly MCFC's logo and website exposure in their industry eNewsletters.
- MCFC's collaborations with film industry organizations that promote film production statewide and nationally include Film Liaisons in California Statewide (FLICS) and the California Film Commission (CFC). CFC is a part of the California Trade and Commerce Agency, with their parent agency being the Governor's Office of Business and Economic Development (Go-Biz).
- MCFC is spotlighted globally via the Association of Film Commissioners International (AFCI). Karen Nordstrand is the Monterey County Film Commissioner and is one of 45 internationally-certified by the AFCI, and her certification was renewed this fiscal year.
- Production Hub and LA411 spotlights for MCFC

Local advertising helped reinforce MCFC's importance to the economy and educated county residents about the film commission's resources. Ads were placed in the King City Rustler and Monterey Herald National Nonprofit Day edition ("Monterey County: Lights, Camera, Economic Action" ad) with editorial feature ("Taking Care of Filming Matters in Monterey County"), plus Women in Business edition (Karen Nordstrand and "Reel Business for Monterey County" featured).

Project Goal #2 (continued)
Earned media with editorial stories were in the Locations International magazine, Monterey County Weekly, Lighthouse District and Old Monterey e-newsletters.

Also, there were FilmMonterey.org website updates and although the goal of website 17,848 unique visitors was not achieved, the website presence was up 1 percent over the previous year, and FilmMonterey.org news postings, filming information, location photos, and permit contacts were regularly updated. MCFC Facebook postings and advertisements increased the followers count to more than 2,700.

Other MCFC events promoted:

- MCFC was selected to curate a year-long art display at the Monterey Regional Airport, “Lights, Camera, Monterey County!” spotlighting the history of movies made in Monterey County. Mezzanine-level display cases with historic film highlights, behind-the-scenes photography and memorabilia produced by MCFC board members and committee volunteers celebrates Monterey County’s rich cinematic history. Promoted in local media and websites. A Monterey Peninsula Chamber of Commerce ribbon-cutting event is planned for Sept. 18, 2025, to draw attention to the show and the economic impact that films and TV productions have in Monterey County.
- “Celebrity Academy Awards” event on March 2 at the Marriott Hotel including TV viewing of the Academy Awards Presentation in Hollywood. Red carpet, silent auction, a Brad Pitt look-a-like guest, and with the auction proceeds to benefit film production victims of the Los Angeles fires.

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

GOAL 3 – Expand Countywide Collaboration

Objective: Countywide branding of MCFC, leveraging County funds with DSA partners and economic pillars to enrich the County's labor pool and film education.

Proj	Activities	Performance Measure	Expected Outcome	Planned	FY2024-25 Results	% of Goal Completed
Task A	Expand the number of collaborative community partnerships with local organizations.	# of partnerships.	5% increase in partnerships as compared with previous year.	Increase from 49 to 51.	51	100%

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

Provide a narrative of year-to-date accomplishments of Project Goal #3
Expand Countywide Collaboration

COMMENTS:
a) Identify milestones and accomplishments,
b) Address any material issues/challenges that could result in not achieving planned performance,
c) Comment on any partnerships that have been established or cultivated.

Are project goal(s) substantially on schedule and performance measures being achieved? Yes ☒ No ☐

NARRATIVE:

July 1, 2024 – June 30, 2025

MCFC continued to network with organizations throughout the county, to keep locals aware of the film commission's value and resources, and to discover collaboration opportunities. Staff or board members participated in the Monterey County Business Council speaker series (luncheon meetings with Supr. Church, Supr. Lopez, SeeMonterey, CA Assemblymember Addis, Annual Meeting "Billion Dollar Perspectives" from Bruce Taylor, Taylor Farms and David Stivers, PBC), the Economic Development Committee, and various Chambers of Commerce events and mixers. MCFC participates in the Carmel Chamber, King City Chamber, Monterey Peninsula Chamber, Pacific Grove Chamber, Salinas Valley Chamber, the Monterey County Hospitality Association, the Monterey County Vintners & Growers Association, and the See Monterey meetings. MCFC staff attends the Big Sur Multi-Agency Advisory Council meetings in Big Sur. An ex-officio board member representing See Monterey—Teresa Savage (District 5)--was added to the MCFC Board of Directors.

MCFC's Film Commissioner, Karen Nordstrand, spoke to film students at California State University Monterey Bay (CSUMB), new Board member Karilyn Van Oosten (District 5) was profiled on KMBY TV, and MCFC collaborated with Nick Pasculli, the County's Chief Communications Officer providing collateral digital assets for the County's website and in other promotional areas.

Numerous "Hollywood in Your Backyard" mixers were held in September 2024 at LadySomm in The Barnyard, in November at the Carmel Hofsas House, and in January 2025 at Patria in Salinas. These mixers are focused on identifying and connecting local filmmakers and businesses supporting film production throughout the County. MCFC promotes the local film industry with its online Production Resource Guide (PRG) at FilmMonterey.org. All countywide residents and businesses can receive a free listing under numerous crew and services categories in order to potentially be hired when film productions come on-location. These events were publicized through online media and we had over 180 in attendance at the three mixers with 47 new additions to the MCFC's online PRG.

Project Goal #3 (continued)
To expand local filmmakers' opportunities within Monterey County, MCFC offers an annual $2,000 Film Student Scholarship Award to a Monterey County post-secondary student. We recruit applicants from CSUMB, Hartnell and Monterey Peninsula colleges. Winners of 2024 MCFC's annual Director Emeritus Richard Tyler Film Student Scholarship Award Program were announced by Garland Thompson, Board President and Scholarship Chair. They were CSUMB's Cinematic Arts & Technology department students Olivia Rovid ($2,000 award) and Ashton Brigati ($500 award). The scholarship program is an endowment with the Community Foundation for Monterey County, and two scholarships were possible this year thanks to generous community member donations.

MCFC Board member Chris Carpenter, who is a film lecturer and production specialist at CSUMB, was also an Executive Producer on "The Long Valley" a 13-minute documentary short film, about the hopes and dreams of the people of the Salinas Valley, one of the most productive agricultural regions in California. It has premiered at the Sundance Film Festival, South by Southwest, and recently won the Atlanta Film Festival's Short Documentary category, which makes it eligible for Academy Award consideration. The film's producers have ties to South County and King City.

MCFC continued to pursue opportunities and grants to supplement county DSA funding. In September 2024, MCFC received an estate bequeath from a long-time REEL Friends member, Emile Norman, to continue MCFC's work in economic development through film production. In May, MCFC received a check for $10,649.62 as a nonprofit partner in Coastal Roots Hospitality's "Pick-It Up—Pay It Forward" fundraising campaign which the film commission helped promote. Ten percent of all takeout orders from their restaurants for the months of March and April 2025 was donated to MCFC.

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

PROJECT SUMMARY INFORMATION

Required Submittals:

	Check or write N/A	
	Previously Provided	**Attached**
A) **Audit & Budget:** Copy of the most recent annual audit and organizational budget. *(Ref: B7 PSA Exhibit 1. Audit: We provide a quarterly summary letter from our accounting firm, CliftonLarsonAllen LLP (fka Hayashi & Wayland), which reviews all financial records quarterly. We do not conduct financial audits due to their prohibitive cost. 2. Our FY2024-25 budget was previously provided.*	☒ Provided	☐ Attached
B) **Financial statements:** Copy of the financial statements covering the period? If no, please explain:		
1. June 30, 2024	☒ Provided	☐ Attached
2. July 1, 2024 – June 30, 2025	☐ Provided	☒ Attached
	☐ Provided	☐ Attached
	☐ Provided	☐ Attached
	☐ Provided	☐ Attached
C) **Funding Acknowledgement:** List and provide a copy of recent materials showing funding support from the Monterey County Board of Supervisors*. (Exhibit A, Section B8)*	☐ Provided	☒ Attached
D) **Written Publications:** Provide a copy of all work products, funded in whole or in part. *(Exhibit A, Section B9)*	☐ Provided	☒ Attached
E) **Website Certification:** The website displays Monterey County Board of Supervisors as a major funding contributor. *(Exhibit A, Section B9)*	☐ Provided	☒ Attached
F) **Board List:** Provide a current listing of Board members (see attached roster of board member form)*. (Exhibit A, Section B10)*	☐ Provided	☒ Attached
G) **Current Articles of Incorporation**	☒ Provided	☐ Attached
H) **Other:** H1. MCFC Annual FY2024-25 Cover, H2. MCFC Logo and Mission Statement, and H3. FY2024-25 Annual Performance Goal Summary.	☐ Provided	☒ Attached

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

ROSTER OF BOARD MEMBERS

Discuss efforts made to serve the needs of the unincorporated portions of the County of Monterey.
Memberships and participation in chambers of commerce including King City, Big Sur, Salinas Valley, as well as Monterey Peninsula-based associations help keep the message of filmmaking and MCFC's economic impact out in front of businesses and people living in the unincorporated areas. Film productions use locations throughout the County. Board members also assist in identifying new locations and businesses throughout the County that have the potential to be used in film productions. All Monterey County residents are encouraged to place a free listing on the MCFC's online Production Resource Guide for work opportunities with on-location film productions.

List of Board Members:

Name	Business Location (City or County Area)	Home Location (City or County Area)
1. Julia Avery-Rudey	Mountain View	Marina (D4)
2. Pete Bassett	Carmel and all County regions	Seaside (D4)
3. Ron Brown	Carmel and all County regions	Carmel-by-the-Sea (D5)
4. Jeff Clark	Salinas and all County regions	Salinas (D2)
5. Chris Carpenter	Seaside and all County regions	Salinas (D4)
6. Dorothy (Dot) Findlater	Monterey and all County regions	Monterey (D5)
7. Paula Joy MacNab	Carmel and all County regions	Monterey (D5)
8. Annee Martin	Carmel and all County regions	Marina (D4)
9. Teresa Savage	Monterey and all County regions	Salinas (D5)
10. Camille Stanfield Polson	Salinas and all County regions	Salinas (D4)
11. Garland Thompson, Jr.	Monterey and all County regions	Oakland (formerly D5)
12. Karilyn Van Oosten	Monterey and all County regions	Monterey (D5)
13. Paul Ventura	Pebble Beach and all County regions	Monterey Peninsula/Big Sur (Pebble Beach) (D5)

[1]***Unincorporated areas include**: **North County** (Pajaro, Las Lomas, Aromas, Elkhorn, Moss Landing, Castroville, Prunedale, and Boronda); **South County** (Chualar, San Lucas, Pine Canyon, Jolon, San Ardo, Lockwood, Bradley, and Parkfield) **Monterey Peninsula/Big Sur** (Carmel Valley, Pebble Beach, Carmel Highlands, Carmel Valley Village, and Del Monte Forest)*

What efforts are being made to ensure board representation from the unincorporated areas?
The MCFC's Board of Directors encourages applications from all parts of Monterey County for board positions via MCFC's website, eNewsletters, presentations, and paid ads. Emphasis was placed on City of Salinas, Salinas Valley and South County areas, especially encouraging individuals to apply who have ties to Monterey County economic pillars and the agricultural industry, and those who have nonprofit experience.

County of Monterey
Development Set-Aside Agency
FY 2024-25 Project Performance Report

Submit Progress Reports to the Assistant County Administrative Officer or designee at the following address:

County of Monterey
Richard Vaughn, Economic Development Manager
168 West Alisal, Third Floor
Salinas, CA 93901

APPROVAL/CERTIFICATION

I certify that Agreement No. A-15601 Number in the amount of $268,842.00 is accurate and in accordance with the Grant Agreement, I further certify that these are actual expenditures allowed under the Grant Agreement and that all funds were expended for the purposes of the Project.

Monterey County Film Commission	Garland Thompson, Board President	July 30, 2025
Printed or Typed Name of Grantee	Name and Signature of Authorized Grantee	Date

1441

Monterey County Film Commission

Required Submittals:

A) Audit and Budget: Provided FY2024-25 Work Plan and Budget – 2.28.25.

B) Financial Statements for period (7/1/24 to 6/30/25) include:

1. Profit and Loss (2 pages).
2. Balance Sheet (1 page).
3. Letter from CliftonLarsonAllen LLP detailing their review of MCFC's financial accounts for the period July 1, 2024 – June 30, 2025 (1 page).

C) Funding Acknowledgement:

1. Sample press release – New Board Members – February 5, 2025 (1 page).
2. Sample press release – Art at the Airport – March 11, 2025 (2 pages).

D) Written Publications:

Goal 1: Increase Film Industry Outreach and Local Facilitation Efforts

1. Monterey County Film Productions (2 pages).
2. Monterey County Film Sites for Location Scouts (1 page).

Goal 2: Expand Film Industry Marketing and Promotion Opportunities

1. MCFC Global Film Industry Promotion (3 pages).
2. MCFC's Earned Media (1 page).
3. Film Industry Events, Education, and Networking (1 page).

Goal 3: Expand Countywide Collaborations

1. MCFC's Countywide Collaborations (2 pages).

E) MCFC's Website Certification: Attached (2 pages).

F) Board List – is embedded in the actual Performance Report.

G) Articles of Incorporation: Previously provided on 11/30/12.

H) Other:

1. MCFC 2024-25 Report Cover (1 page).
2. MCFC Mission page (1 page).
3. MCFC DSA Summary – Annual 2024-25 (1 page).

Monterey County Film Commission
Profit & Loss
July 2024 through June 2025

	Jul '24 - Jun 25
Ordinary Income/Expense	
Income	
404 · Monterey County	289,724.00
406 · Income - City Donations	3,000.00
407 · Membership Reel Friends	20.00
416 · Grants	10,649.62
418 · Sponsorships	2,000.00
419 · Ticket Sales	7,730.99
420 · Auctions	1,565.00
421 · Board Member Dues	1,157.50
422 · Donations	31,542.50
430 · Website Advertising	3,350.00
440 · Raffle/ Drawings	490.00
460 · Scholarship	3,530.00
700 · Interest Income - Checking	30.74
Total Income	354,790.35
Gross Profit	354,790.35
Expense	
510 · Accounting	2,898.94
515 · Advertising	15,981.03
516 · Auction	1,565.00
519 · Awards	36.05
520 · Bank Charges	394.42
525 · Copies and Printing	687.46
526 · Computer Subscriptions	1,238.57
540 · Dues and Subscriptions	8,142.03
545 · Education	69.00
555RF · F&B-Reel Friends	748.25
560 · Scholarships	
56010 · Office Expenses - CFMCO Schlshp	304.99
560 · Scholarships - Other	2,806.33
Total 560 · Scholarships	3,111.32
565 · Insurance	3,491.00
575 · Meetings	549.26
585 · Office Supplies	2,364.47

Monterey County Film Commission
Profit & Loss
July 2024 through June 2025

	Jul '24 - Jun 25
587 · Outside Services	
58710 · Website Updates	1,470.00
58720 · Graphic Design	435.00
58740 · Misc. Outside Services	18,518.00
58750 · Computer Equipment	150.00
Total 587 · Outside Services	20,573.00
590 · Photography	266.31
595 · Postage	969.72
600 · Promotion/PR	781.21
610 · Rent	13,357.10
612 · Retirement Plan	4,028.66
620 · Salaries	148,841.74
625 · Taxes-Payroll	11,966.87
626 · Taxes and Licenses	515.01
628 · Telephone/Internet	2,531.41
630 · Film Industry Events/Shows	6,836.51
635 · Travel	775.56
640 · Venue	3,208.13
650 · Workers Compensation Premium	1,066.97
66000 · Payroll Services Expense	1,149.00
Total Expense	258,144.00
Net Ordinary Income	96,646.35
Other Income/Expense	
Other Income	
710 · Other Income	
701 · Gain/Loss on CFMCO Sch Endowmt	2,274.04
704 · Scholarship-USBank Savings Acct	3.49
705 · Interest - CFMCO Schlshp Endwmt	953.61
706 · Interest-- MC Bank Savings	228.18
709 · UB Bankx6969 Reserve Acct.	1,889.26
711 · PVBx9408 Interest	2,701.44
Total 710 · Other Income	8,050.02
Total Other Income	8,050.02
Net Other Income	8,050.02
Net Income	**104,696.37**

Monterey County Film Commission
Balance Sheet
As of June 30, 2025

	Jun 30, 25
ASSETS	
Current Assets	
Checking/Savings	
103 · Monterey County Bank - Savings	248,294.64
105 · Monterey County Bank - Checking	38,980.13
110 · Scholarship Savings - US Bank	10,084.38
111 · CFMCO -Scholarship Fund	29,681.37
113 · Pacific Valley Bank x9408	156,807.50
Total Checking/Savings	483,848.02
Total Current Assets	483,848.02
Fixed Assets	
161 · Furniture and Fixtures	2,494.77
162 · Computer Equipment	7,382.52
163 · Computer Software	445.00
Total Fixed Assets	10,322.29
Other Assets	
171 · Accumulated Depreciation	-8,256.00
Total Other Assets	-8,256.00
TOTAL ASSETS	**485,914.31**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	-1,366.40
Total Accounts Payable	-1,366.40
Other Current Liabilities	
204 · Payroll taxes	-2,126.25
208 · IRA Contribution	
208.1 · IRA Contributions - KN	-62.33
208.2 · IRA Contributions-ML	70.38
208.3 · IRA Contributions - LAG	-8.71
208 · IRA Contribution - Other	-0.38
Total 208 · IRA Contribution	-1.04
Total Other Current Liabilities	-2,127.29
Total Current Liabilities	-3,493.69
Total Liabilities	-3,493.69
Equity	
32000 · Retained Earnings	384,711.63
Net Income	104,696.37
Total Equity	489,408.00
TOTAL LIABILITIES & EQUITY	**485,914.31**

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT ACCOUNTANTS' REPORT

Monterey County Film Commission and County of Monterey
Monterey, California

We have performed the procedures enumerated below on the financial records as of and for the year ended June 30, 2025. Monterey County Film Commission is responsible for the financial records of the Organization.

The Board of Directors of the Monterey County Film Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of applying procedures and reporting associated findings related to Monterey County Film Commissions cash transactions. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

- We compared the signatures on each check and compared them to a copy of the signature card on file.
- Compared payee on the check to the payee name on your cash disbursements journal
  - Check 5794 – The name on the reconciliation detail was Big Sur Grange while the payee on the check was The Round-Up.
- Compared the date and amount of interbank account transfers to other account.
  - No exceptions were found as a result of this procedure.

We were engaged by the Board of Directors of the Monterey County Film Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Organization's accordance with specified procedures. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Monterey County Film Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Monterey County Film Commission and County of Monterey and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Salinas, California
July 29, 2025

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

C) Funding Acknowledgement

February 6, 2025
Contact: Karen Nordstrand, 831-646-0910
Karen@filmmonterey.org

Monterey County Film Commission elects two new members to its Board of Directors

(Monterey, CA – Feb.6, 2025) The Monterey County Film Commission board of directors has elected Karilyn Van Oosten and Teresa Savage to its board of directors for three-year terms.

Karilyn Van Oosten, a Monterey resident, is employed at Unitek Learning, serving as vice president of strategic business development. Her focus is on building relationships with educational and corporate partners for solutions, collaborations, and strategic planning.

Teresa Savage is the film commission's ex-officio board member representing See Monterey. She is the senior vice president of business operations at See Monterey, has a hospitality background, and lives in Salinas.

Other board members include Julia Avery-Rudey, Pete Bassett, Ron Brown, Chris Carpenter, Jeff Clark, Dot Findlater, Paula MacNab, Annee Martin, Camille Polson, Paul Ventura, and Garland L. Thompson, Jr.

The Monterey County Film Commission was established by the Monterey County Board of Supervisors in 1987 to attract and facilitate film productions for economic development. The film commission estimates more than $138 million in positive economic impact has come into Monterey County communities from on-location film productions throughout the county.

The nonprofit organization seeks volunteer board members with diverse fields of interest from all parts of Monterey County, especially those with nonprofit experience. For more information, call 831-646-0910, email info@FilmMonterey.org, or download an application form at FilmMonterey.org.

Teresa Savage

Karilyn Van Oosten

# # #

The Monterey County Film Commission is a nonprofit organization, created by and funded in part by the Monterey County Board of Supervisors. Its mission is to inspire and facilitate film and media production throughout Monterey County, creating positive economic impact.

C) Funding Acknowledgement (continued)

MONTEREY COUNTY
FILM COMMISSION

Contact: Karen Nordstrand, 831-646-0910
Karen@filmmonterey.org FilmMonterey.org

"Lights, Camera, Monterey County!" New *Art at the Airport* exhibit showcases our area's film legacy

(Monterey, CA – March 11, 2025) The Monterey County Film Commission and the Monterey Regional Airport are unveiling the latest installment of the *Art at the Airport* exhibits -- **Lights, Camera, Monterey County!** — a visually compelling and immersive year-long display celebrating Monterey County's rich film history, and highlighting the iconic films and television productions that have showcased Monterey County's dramatic landscapes and vibrant culture.

The **Lights, Camera, Monterey County!** exhibit is a collaborative effort between the Monterey Peninsula Airport and the Monterey County Film Commission. Monterey architect Chris Van Oosten led the Airport Project Committee in the design, working with members who also serve on the film commission's board of directors: Paula Joy MacNab, Karilyn Van Oosten, Garland Thompson, Jr., and Chris Carpenter. Carpenter, who is also a faculty member and lecturer with the Cinematic Arts and Technology Department at California State University, Monterey Bay, was instrumental in procuring cinematic artifacts from his and the university's collections.

"We are thrilled to partner with the Monterey Regional Airport to share the magic of Monterey's film legacy with travelers from around the world," said Thompson, the president of the Monterey County Film Commission's board of directors. "This exhibit offers visitors a 'reel stroll' through the region's cinematic history, providing a glimpse into why so many filmmakers have chosen Monterey County as their backdrop."

From classic Hollywood productions to modern streaming hits, Monterey County has long been a sought-after destination for filmmakers. The exhibit invites visitors to explore behind-the-scenes stories, film memorabilia, and historical highlights that showcase the county's deep ties to the entertainment industry.

Travelers passing through the airport's mezzanine can now take in the exhibit and experience first-hand the allure and range of Monterey County's landscapes, which continue to attract filmmakers worldwide. The Monterey County Film Commission hopes this display not only entertains but also encourages productions to consider Monterey County locations for future film projects.

C) Funding Acknowledgement (continued)

For additional made-in-Monterey County movie details and Monterey County Film Commission's role in boosting the local economy through on-location film production, visit https://filmmonterey.org.

About the Monterey County Film Commission: *The Monterey County Film Commission was created by the Monterey County Board of Supervisors in 1987 to attract and assist film productions to the region. The nonprofit organization works to boost the local economy through the film industry, and since it was established, more than $138 million has come into Monterey County communities from film and media productions.*

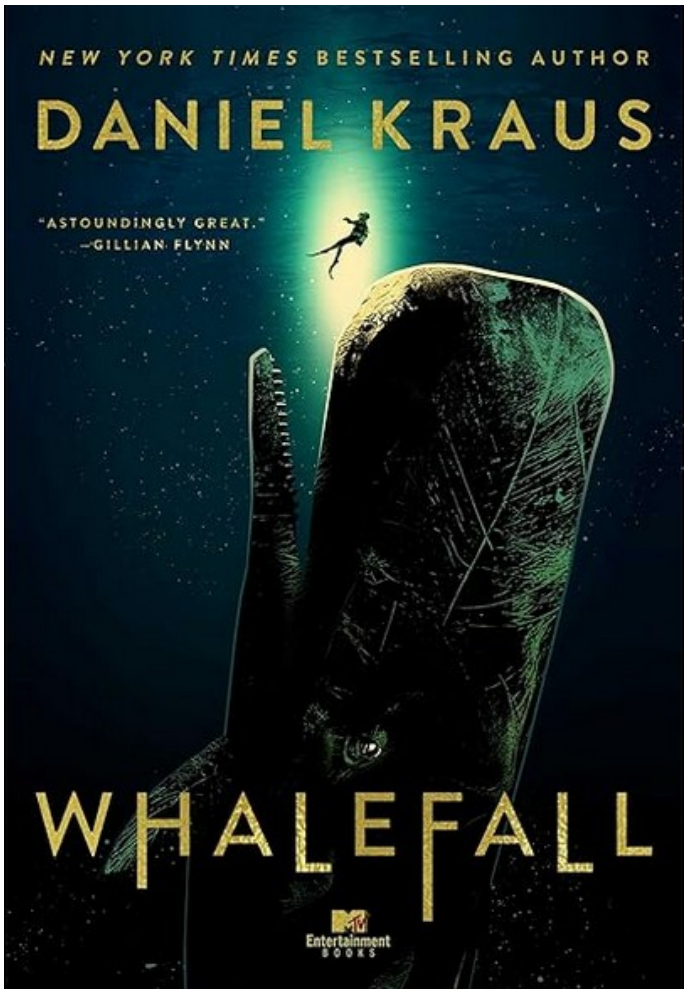
About Monterey Regional Airport: *Monterey Regional Airport connects travelers to and from California's Central Coast offering convenient flights to major hubs. Committed to enhancing the passenger experience, the airport hosts the Art at the Airport program, celebrating the region's unique cultural and artistic heritage*.

###

D) Goal 1.1 – Monterey County Film Productions

MONTEREY COUNTY FILM COMMISSION

Monterey County ON LOCATION FILM NEWS



20th Century Studios film "Whalefall" brought a big economic boost to Monterey County

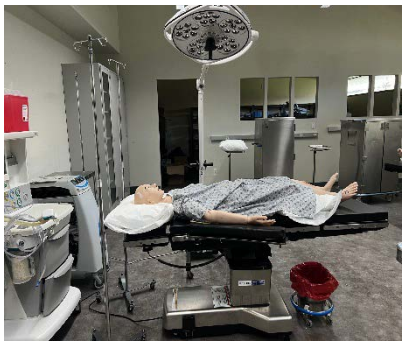
More than $930,000 in local spend was reported as "Whalefall" came on-location to film scenes in Monterey County. Locations included Monterey County's Jacks Peak Park, Monastery Beach, Monterey Bay, and other Monterey Peninsula sites. Rental of base camp for trucks and equipment meant a donation to the Pt. Lobos Foundation. The film is based on the New York Times bestselling book, "Whalefall."

D) Goal 1.1 – Monterey County Film Productions (continued)

The BBC/Brand USA tourism video with Hilary Swank and crew (left) featured Carmel-by-the-Sea, and a private ranch in Big Sur was an amazing backdrop commercial producers sought for a reveal of Honda's 2026 CR-V Hybrid.

The feature "Maintenance Required" shot near Lovers Point in Pacific Grove (above and below left) and on Seaside's Gen. Jim Moore Boulevard. The high-end fashion shoot for Johnston & Murphy chose Carmel Valley's Holman Ranch and Folktale Winery (below right).

D) Goal 1.2 – Monterey County Film Sites for Location Scouts



MCFC provides location photos to location scouts seeking film sites. Recent additions include Central Coast College's hospital setting, Pebble Beach Concours, and a private home in Big Sur.

Monterey County's famed Pebble Beach golf links, and the floral beauty and cove in Pacific Grove.

Aerial view of Carmel-by-the-Sea, and the rustic Fisherman's Wharf #2 in Monterey for a fishing village look.

Productions seek forest looks and agricultural fields, such as artichokes and North County strawberries.

D) Goal 2.1 – MCFC Global Film Industry Promotion

D) Goal 2.1 – MCFC Global Film Industry Promotion (continued)

D) Goal 2.1 – MCFC Global Film Industry Promotion (continued)

D) Goal 2.2 – MCFC's Earned Media

The Monterey County Film Commission: Taking Care of Filming Matters in Monterey County

Monterey County isn't just a backdrop on a set—it's home to world-class talent, resources and accommodations, and the nonprofit Monterey County Film Commission (MCFC) helps production companies find the right locations, local skilled professionals and the numerous services and products that such projects require.

The film commission has been effectively promoting Monterey County to the film industry since it was established by the Monterey County Board of Supervisors in 1987. To date, there's been an estimated $136 million in local spend by on-location film projects, from feature films (more than 200), TV shows (Big Little Lies), commercials (nearly every make of car), videos, documentaries, ads, fashion shoots and more.

Film productions take pictures and leave money in local communities, in support of accommodations, goods and services, and local crew hires. MCFC works to see that Monterey County communities prosper in a highly competitive global marketplace with more than 360 film commissions.

"It's a big investment for a production to go on-location, and they need to feel confident that they can successfully complete their shoots," said Karen Nordstrand, the county's film commissioner. "We field their questions with responsiveness and knowledge, giving confidence that Monterey County is a film-friendly place."

The film commission's website showcases film locations, permit details, Made-in-Monterey movie information, and an on-line Production Resources Guide. Monterey County residents and businesses interested in being hired by productions here can list their contact information for free at FilmMonterey.org.

MCFC is helping build and strengthen the local crew base with "Hollywood in Your Backyard" networking events, gathering together active filmmakers and supporters of film. And to help future filmmakers, MCFC seeks private donations to fund its annual Monterey County film student scholarship program to provide financial aid and incentive.

To contribute or for more information, see FilmMonterey.org, email Info@FilmMonterey.org or call 831-646-0910.

MCFC Walk of Fame - Provided Photo

Share

KSBW ACTION NEWS 8 Updated: 11:29 AM PDT May 27, 2025

Infinite Scroll Enabled

Paul Dudley
News Anchor

SALINAS, Calif. — Salinas native John Steinbeck's novel East of Eden is getting a fresh adaptation on Netflix. First published in 1952, the story is rich with themes that still hold meaning today.

Film Commissioner Karen Nordstrand TV interview about the "East of Eden" show filmed elsewhere due to more attractive film incentives in New Zealand.

D) Goal 2.3 – Film Industry Events, Education, and Networking

(*Above*) At L.A.'s Annenberg Center in Beverly Hills the LMGI Awards event honored top location scouts and managers for their professional excellence with finding and coordinating on-location film productions.

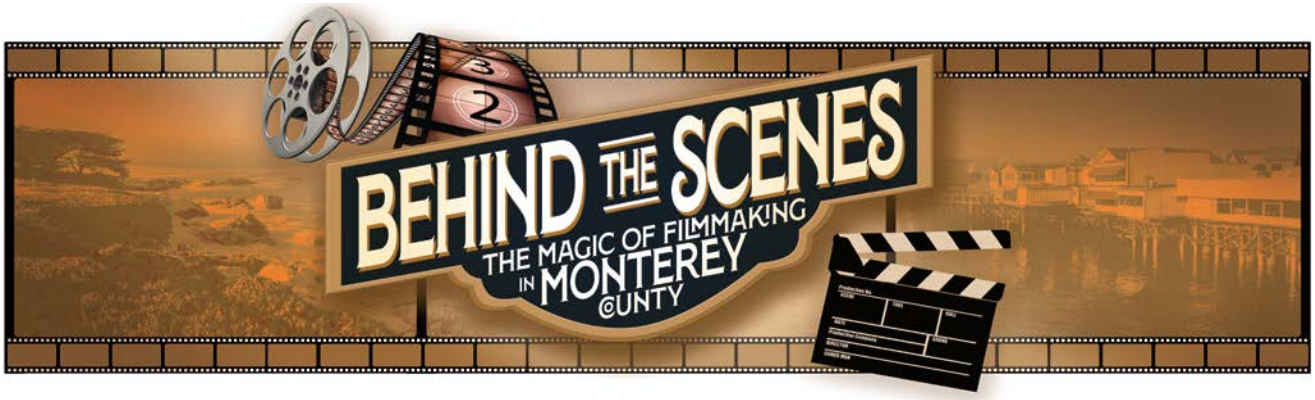
(*Above*) Some of the film commissioner members of FLICS from various jurisdictions on the red carpet at the California On Location Awards show. It recognizes key location scouts who find film locations and work well with film offices (such as past COLA winner JP O'Connor posing with MCFC's Karen Nordstrand, above right). (*Below*) AFCI Week drew global film commissioners, producers and studio executives such as HBO's Sr. VP Jay Roewe (below, right) at the UCLA Luskin Conference Center for educational panels and networking.

D) Goal 3 – MCFC's Countywide Collaborations

MCFC film industry mixers were held in various locations, aimed at getting to know local film professionals and business supporters, and to explain the resources at MCFC. *Clockwise:* Downtown Salinas; mixer at Patria Restaurant; Lady Somm in The Barnyard; and Hofsas House in Carmel.

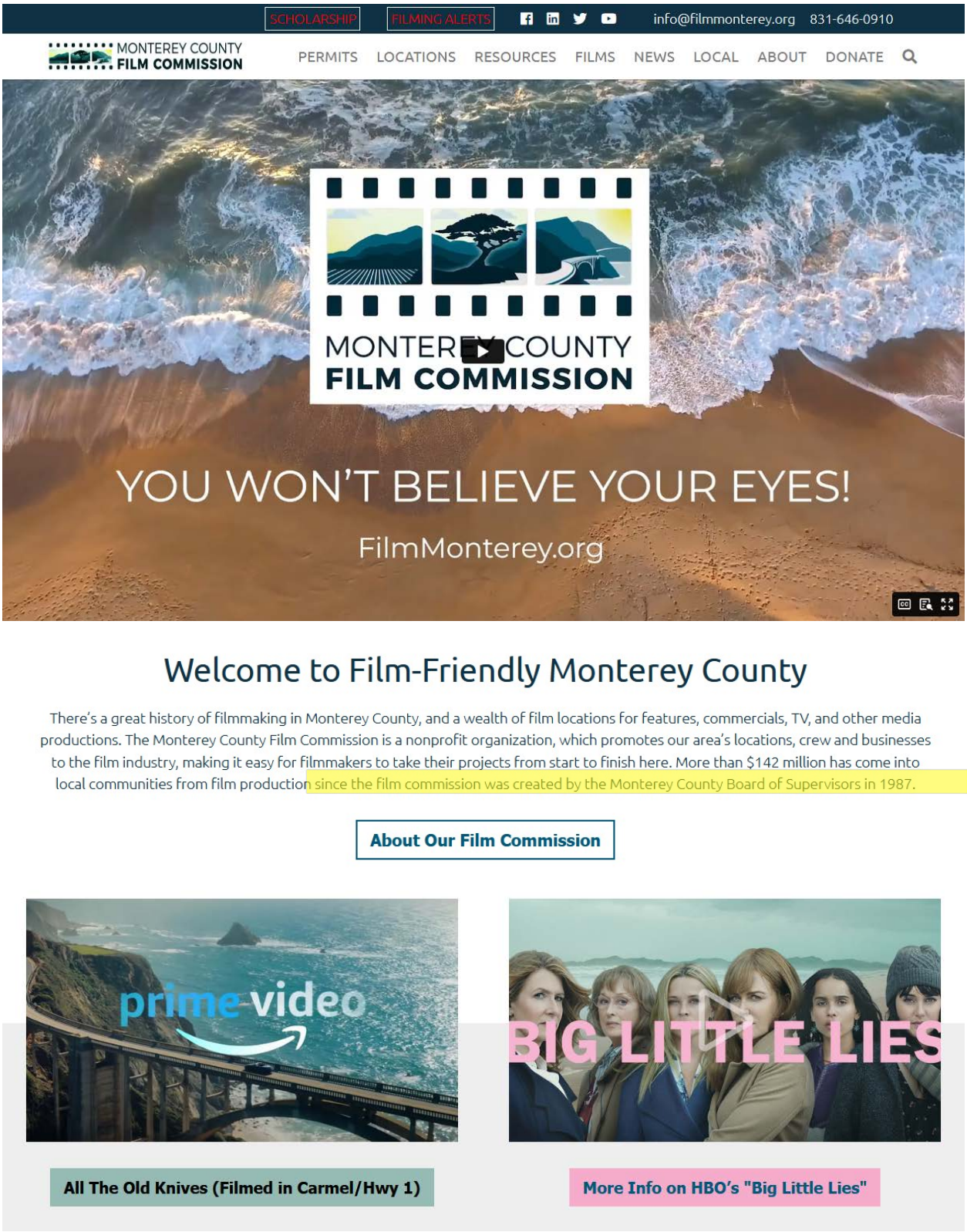
To explain what a film commission does and how it can help with student films MCFC's Film Commissioner Karen Nordstrand spoke with a CSUMB film class (*below right*). MCFC Board President Garland Thompson presented MCFC's annual Director Emeritus Richard Tyler Film Student Scholarship awards to CSUMB students Olivia Rovid and Ashton Brigati.

D) Goal 3 – MCFC's Countywide Collaborations (continued)



"Lights, Camera, Monterey County!" Art at the Airport exhibit—a collaborative effort between MCFC and the Monterey Regional Airport--is a year-long display of Monterey County's rich film history. Airport travelers can experience the allure and range of the county's landscapes, learn about filming's economic impact here, and see why filmmakers have chosen Monterey County sites for their productions.

E) MCFC's Website Certification



E) MCFC's Website Certification (continued)

PRODUCTION RESOURCE GUIDE

When planning to film on-location in Monterey County, you can find help and the services you need here. Professional crew and support contacts listed are ready to roll.

Find Local Assistance

Crew/Talent

Equipment/Facilities

Support Services

Things to Do

List Your Business

LOCATION, LOCATION, LOCATION

Our locations in Monterey County have been sought out by directors and cinematographers since 1897, when a cameraman working for Thomas Edison shot the pounding Monterey surf and filmed carriages arriving at the historic Hotel Del Monte. Filmmakers from Edward Weston to Ansel Adams to Clint Eastwood have flocked here ever since, seeking the perfect backdrops for their shots.

View Locations **Get Permit Info**

LIGHTS, CAMERA, ECONOMIC ACTION

Monterey County Film Commission is proud to partner with the following organizations and sponsors.

831-646-0910 (O)
801 Lighthouse Ave. #104 , Monterey, CA 93940

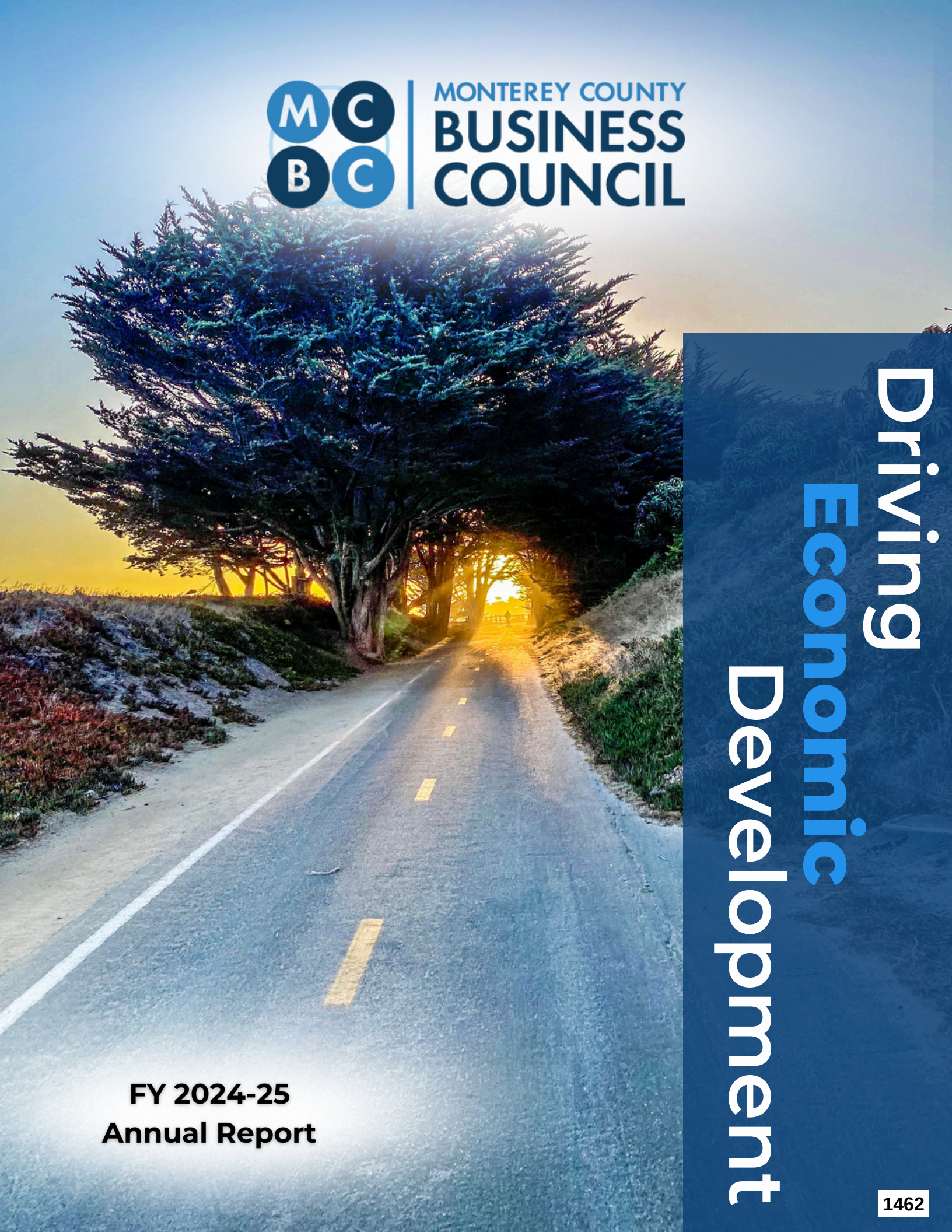
Get Our Newsletter

Home About MCFC Supporters Contact Our Webmaster Terms

Monterey Bay Webmaster

© 2024 Monterey County Film Commission

MONTEREY COUNTY
BUSINESS
COUNCIL



Driving Economic Development

FY 2024-25
Annual Report

1462

Dear Partners and Stakeholders,

The team at Monterey County Business Council (MCBC), is proud to share this year's Annual Report—a reflection of our unwavering commitment to advancing economic development and supporting business growth in our region.

This year, MCBC continued to deliver high-impact programs and services designed to empower local businesses and promote a thriving economy. From one-on-one business advising to strategic partnerships and free support, our work remains rooted in the belief that a strong business community is essential to the prosperity of Monterey County.

Thank you for being a part of this journey.

-The MCBC Team

Our Team

JENNY MCADAMS
Director of Operations
Monterey County Business Council

MARIE HISLOP
Content Creator
Monterey County Business Council

BLAKE HOLIDAY
Special Projects
Monterey County Business Council

LAURA PRUNEDA
Special Projects
Monterey County Business Council

JENNY MCADAMS
Executive Director
Leadership Monterey County

MITCHELL FRIEDMAN
Program Facilitator
Leadership Monterey County

ROGER B. GILBERT
Executive Director
Central Coast SBDC

JOSE LUIS BARAJAS
Program Manager
Central Coast SBDC

JESUS ESCUTIA
Client Relations Manager
Central Coast SBDC

VICTOR VALDEZ
Program Director
Monterey Bay APEX Accelerator

RHONDA DEVITO
Procurement Counselor
Monterey Bay APEX Accelerator

JORDAN CABALLERO
Procurement Counselor
Monterey Bay APEX Accelerator

Our Board

AMY IVEY
Chair
Amy Ivey Consulting

MEGAN HUNTER
Vice Chair
City of Soledad

PETE SCUDDER
Director
Scudder Roofing

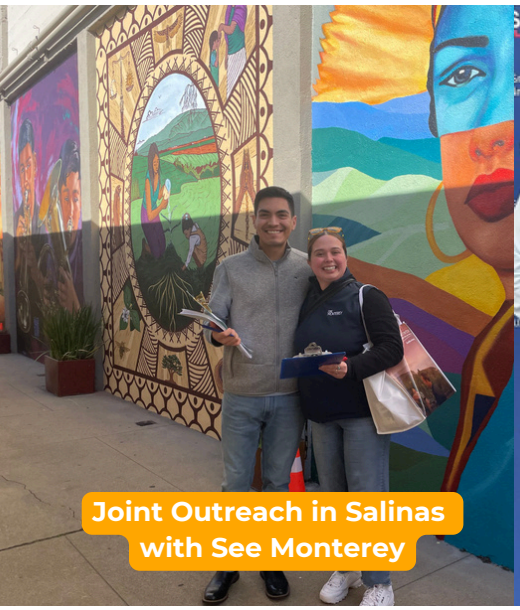
CHRIS STEINBRUNER
Director
Steinbruner Hill CPAs

LUIS ALVAREZ
Secretary & Treasurer
Alvarez Technology Group, Inc.

Our Programs

The MCBC team supports local businesses and drives economic development through the following programs:

- **MONTEREY BAY APEX ACCELERATOR** – Helping businesses pursue and secure government contracts through no-cost advising, workshops, and training.
- **CENTRAL COAST SMALL BUSINESS DEVELOPMENT CENTER (SBDC)** – Providing no-cost expert business advising, workshops, access to capital, and other resources.
- **LEADERSHIP MONTEREY COUNTY (LMC)** – Building future leaders through a 10-month program focused on local industry sectors, civic engagement, and community collaboration.
- **SUPERVISOR SPEAKER SERIES & SPECIAL EVENTS**– Creating opportunities for civic leaders, public agencies, elected leaders, and the private sector to engage in meaningful community dialogue and business networking.
- **REGIONAL COLLABORATION** – Elevating local business voices and working with regional partners to strengthen economic and workforce development.



Joint Outreach in Salinas with See Monterey

Jordan (APEX Procurement Counselor) with Clients at the Fresno SBA Office

Leadership Monterey County 2025 Cohort at Joby Aviation

MONTEREY BAY APEX ACCELERATOR

This last fiscal year, the Monterey Bay APEX Accelerator team continued to support small businesses in navigating and succeeding in the government contracting space. Through one-on-one advising, procurement training, and strategic partnerships, we helped Monterey County businesses secure new opportunities and build capacity for long-term success.

Our Impact

July 1, 2024 - June 30, 2025

$143,033,623

Value of Federal Contracts Won by Monterey County APEX Clients in FY 2024-25
July 1, 2024 - June 30, 2025

145

Federal Contracts Won by Monterey County APEX Clients

235

APEX Clients Served in Monterey County

Client Demographics

53	Women-Owned
58	Hispanic-Owned
54	Veteran-Owned
32	Service-Disabled Veteran-Owned
11	8(a) or DBE
33	HUB Zone

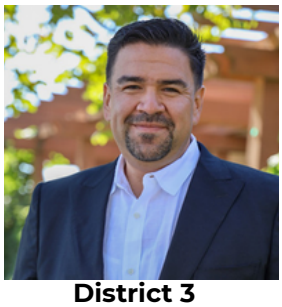
FY2024-25
District Results

MONTEREY BAY APEX ACCELERATOR

D1	**$1,890,038**	6 CLIENTS 7 CONTRACTS WON
D2	**$3,143,271**	38 CLIENTS 15 CONTRACTS WON
D3	**$407,665**	13 CLIENTS 7 CONTRACTS WON
D4	**$4,517,762**	66 CLIENTS 19 CONTRACTS WON
D5	**$132,930,925**	112 CLIENTS 97 CONTRACTS WON

District 1
Supervisor Alejo

District 2
Supervisor Church



District 3
Supervisor Lopez

District 4
Supervisor Askew

District 5
Supervisor Daniels

Note: Contract data based on federal contracts only.
Values do not reflex any state or local contract awards.

AMERICA'S SBDC CALIFORNIA
CENTRAL CA NETWORK

CENTRAL COAST SMALL BUSINESS DEVELOPMENT CENTER

POWERED BY SBA
U.S. Small Business Administration

CALIFORNIA OFFICE OF THE SMALL BUSINESS ADVOCATE

Serving Monterey and San Benito Counties

Our Impact

July 1, 2024 - June 30, 2025

In its first full year of service, the Central Coast SBDC supported businesses and entrepreneurs across Monterey and San Benito Counties, delivering hundreds of hours of personalized, one-on-one advising. From Soledad to Monterey, our Outreach Centers have helped make these resources accessible to more communities than ever before. Together, our clients secured over $1.6 million in capital funding and won $300,000 in government contracts—fueling local tax revenue and creating jobs. This year marked several exciting firsts for our region: we proudly hosted our first-ever SBDC Day Business Expo, bringing together small businesses, community partners, and resource providers to connect and grow. We celebrated our first SBDC Business of the Year, shining a light on local entrepreneurial success. And, in partnership with the Monterey Bay APEX Accelerator, we hosted the inaugural Central Coast Procurement Expo—opening doors for small businesses to access government contracting opportunities. Alongside these milestones, we continued to serve veteran-owned businesses, home-based businesses, and a client base that is 50% women entrepreneurs. Through it all, our team remains committed to empowering our region's small businesses with the startup support, guidance, funding readiness, and resources they need to thrive.

253 Monterey County Businesses Served

20 San Benito County Businesses Served

13 Veteran-Owned Businesses

107 Home-Based Businesses

$1.6M Capital Funding Secured

721 Hours of One-on-One Business Advising

$300K Government Contracts Won

50% Woman-Owned Businesses & Entrepreneurs

Top Business Sectors Served

1. Arts, Entertainment, and Recreation
2. Professional, Scientific, and Technical Services
3. Accommodation and Food Services

Top Services Requested

1. Startup Support
2. Marketing and Sales
3. Funding and Loan Readiness

Funded in part by the State of California and a Cooperative Agreement with the U.S. Small Business Administration (SBA) and through a grant from the California Office of the Small Business Advocate (CalOSBA). All opinions, conclusions and/or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the SBA, CalOSBA, the State of California, or the Central California SBDC Network.

AMERICA'S SBDC CALIFORNIA
CENTRAL CA NETWORK

CENTRAL COAST SMALL BUSINESS DEVELOPMENT CENTER

Nurture

Serving Monterey and San Benito Counties

Home-Based Childcare

As the region's trusted, no-cost source for business advising and technical support, the Central CA SBDC Network understands that access to quality childcare is one of the biggest barriers families and employers face today. Recognizing this, our lead center at UC Merced partnered with Nurture—a statewide nonprofit dedicated to expanding childcare choices for families across California—to launch the Nurture Home-Based Childcare Entrepreneurship program. This innovative partnership goes beyond training; it empowers individuals to open licensed home-based childcare businesses in just 12 weeks, pairing practical business education with real startup support.

By helping aspiring providers navigate licensing, business planning, and operations—and awarding a $1,000 grant to help them get started—we're growing the pipeline of qualified childcare options where they're needed most. Every new home-based childcare business means more local parents can find safe, nurturing care close to home, more employers have a reliable workforce, and more young children have a chance to thrive in enriching early learning environments. Together, this program is not only filling a critical gap in our communities but also creating meaningful economic opportunity for local entrepreneurs ready to build a business that gives back in one of the most impactful ways possible.

117 Program Participants

48 Grants Issued to Licensed Providers*

**Grant funds have been exhausted*

40 Providers at Capacity

8 Providers Accepting New Enrollment

75 Spanish-Speaking Participants

42 English-Speaking Participants

LEADERSHIP
MONTEREY COUNTY

Hosted by

MONTEREY COUNTY BUSINESS COUNCIL

Leadership Monterey County is a 10-month program designed to cultivate informed, engaged leaders who shape the future of our community. Through in-depth sessions on key local issues, participants gain a broad understanding of regional challenges, connect with influential leaders, and build a robust professional network.

30 Cohort Participants

65 Guest Speakers

35 Monterey County Site Visits

GRADUATES LEAD IN NONPROFITS, BUSINESS, AND GOVERNMENT, DRIVING POSITIVE CHANGE ACROSS MONTEREY COUNTY.

Hospitality Day

Nonprofit Day

Defense & Security Day

Monterey County Business Council closed the fiscal year on June 30, 2025, in a strong financial position. Total income reached $1.71 million from programs, grants, ARPA funding, and business initiatives. After expenses, MCBC recorded a net income of $259,131. These results reflect healthy growth and stability, positioning MCBC to continue serving small businesses and the community.

Financial Snapshot

July 1, 2024 - June 30, 2025

	Total	
Income		
4025 Govt Coop Agreement - APEX		281,014.95
4050 Soledad Container Village Project Income		50,000.00
4100 Non-Government Activities		404,162.28
4120 Grants		161,464.96
4700 ARPA Revenue		500,000.00
4800 SBDC Income		303,680.81
4900 International Travel		12,441.00
Total Income	**$**	**1,712,764.00**
Cost of Goods Sold		
5000 APEX Cost of Services Provided		211,732.29
Total Cost of Goods Sold	**$**	**211,732.29**
Gross Profit	**$**	**1,501,031.71**
Expenses		
3100 Payroll & Related		417,497.29
3200 Admin & Office		37,212.00
3300 Marketing & Events		78,545.88
3400 Professional Services		133,055.68
3500 Occupancy		5,258.87
3900 Other Expenses		79,822.31
6000 MCBC Administration		-20,168.51
7000 SBDC Expenses		119,921.61
8100 ARPA - Personnel		99,805.19
8300 ARPA - Outreach		267,652.14
8500 ARPA - Administrative		72,066.73
Total Expenses	**$**	**1,290,669.19**
Net Operating Income	**$**	**210,362.52**
Other Income		
4990 Interest Income		48,017.04
999 Cash Back Rewards		757.17
Total Other Income	**$**	**48,774.21**
Other Expenses		
9999 Suspense		6.01
Total Other Expenses	**$**	**6.01**
Net Other Income	**$**	**48,768.20**
Net Income	**$**	**259,130.72**

Let's Continue Our Work Together

MONTEREY COUNTY BUSINESS COUNCIL

29th Annual Gala & Economic Development Awards

123 Capitol St, Ste B
Salinas, CA 93901

(831) 216-3000

info@mcbc.biz

Statement of Financial Position
Monterey County Business Council
As of June 30, 2025

Distribution account	Unaudited
Assets	
Current Assets	
Bank Accounts	99,088
Accounts Receivable	228,989
Other Current Assets	1,555,396
Total for Current Assets	**1,883,472**
Fixed Assets	0
Total for Assets	**1,883,472**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	17,508
Credit Cards	9,680
Deferred Revenue	760,000
Total for Current Liabilities	**787,188**
Long-term Liabilities	0
Total for Liabilities	**787,188**
Equity	1,096,285
Total for Liabilities and Equity	**1,883,472**

UNAUDITED AND CASH BASIS

Monterey County Business Council
Profit and Loss
July 2024 - June 2025

		Total
Income		
4025 Govt Coop Agreement - APEX		281,014.95
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Total Other Expenses	**$**	**6.01**
Net Other Income	**$**	**48,768.20**
Net Income	**$**	**259,130.72**

UNAUDITED & CASH BASIS

Statement of Cash Flows
Monterey County Business Council
July 1, 2024-June 30, 2025

Change in Net Assets	$	259,131
Grants, Contracts & Other Receivables		40,687
Other Current Assets		1,409
Accounts Payable & Other Accrued Expenses		14,143
Accrued Payroll & Other Related Liabilities		(10,654)
Total Adjustments	$	45,584
Net Increase in Cash & Cash Equivalents		304,715
Net Increase in Cash & Cash Equivalents		304,715
Cash & Cash Equivalents at the Beginning of Year		1,349,769
Cash & Cash Equivalents at the End of Year	$	1,654,484

Unaudited & Cash Basis

Introduced: 9/2/2025

Current Status: General Government - Consent

Version: 2

Matter Type: General Agenda Item

Adopt the Secured Roll Tax Rates calculated by the Office of the Auditor-Controller for Fiscal Year 2025-26.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Adopt the Secured Roll Tax Rates calculated by the Office of the Auditor-Controller for Fiscal Year 2025-26.

SUMMARY/DISCUSSION:
Government Code Section 29100 requires secured roll tax rates to be approved by the Board of Supervisors each year. Since the passage of Proposition 13, the only rates that are subject to this procedure are those needed to provide taxes for the payment of principal and interest on certain long-term agency indebtedness. The Office of the Auditor-Controller is requesting that the Board of Supervisors adopt the attached list of rates as those to be used for the 2025-26 secured roll.

OTHER AGENCY INVOLVEMENT:
None.

FINANCING:
Approval of these rates will ensure that sufficient funds are available to make payments on the debt service bonds for the districts included on the attached listing. There is no financial impact on the General Fund contribution with this recommended action.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The Fiscal Year (2025-26) Secured Roll Tax Rates pursuant to Article XIII A, Section 1 (b) of the California Constitution is consistent with the Board of Supervisors' Strategic Initiatives for Administration. The debt service tax rates will levy the revenue necessary to pay voter-approved bonded indebtedness to meet annual payments.

Mark a check to the related Board of Supervisors Strategic Initiatives

__Economic Development
X Administration
__Health & Human Services
__Infrastructure

__Public Safety

Prepared by: Jennifer Forsyth, Auditor-Controller Analyst II, 755-5286
Approved by: Rupa Shah, CPA, Auditor-Controller, 755-5084

Attachments:
Board Report
FY 2025-26 Secured Roll Debt Service Tax Rates

Docusign Envelope ID: B9FA32E8-CAC9-4E18-A079-2D27E980A160

County of Monterey

Board Report

Legistar File Number: 25-633

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 9/2/2025
Version: 2

Current Status: Agenda Ready
Matter Type: General Agenda Item

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__Economic Development
X Administration
__Health & Human Services
__Infrastructure
__Public Safety

Docusign Envelope ID: B9FA32E8-CAC9-4E18-A079-2D27E980A160

Prepared by: Jennifer Forsyth, Auditor-Controller Analyst II, 755-5286
Approved by: Rupa Shah, CPA, Auditor-Controller, 755-5084

DocuSigned by:
Jennifer Forsyth
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9/2/2025 | 2:17 PM PDT

DocuSigned by:
5020CB565A18490...
9/3/2025 | 1:06 PM PDT

Attachments:
Board Report
FY 2025-26 Secured Roll Debt Service Tax Rates

2025-26 Secured Roll Debt Service Tax Rates

Description	Rate
Alisal Union School District Bond 1999D, 2006B, 2016AB & 2017 Refunding	0.131115
Bradley Union School District Bond 2011 Election 2012 Series A	0.032324
Carmel Unified School District Bond 2005 Series 2006 & 2010 & 2016 Refunding	0.010034
Chualar Union Elementary School District Bond 2001 & 2017 Refunding AB & 2024 Series A	0.063045
Gonzales Unified School Facilities Improvement District #1 Bond 2000 Series 2007B & 2012 Refunding	0.077487
Gonzales Unified School District Bond 2020 Measure K Series B & 2023 Series C	0.055177
Graves Elementary School District Bond 2004 Election Series A	0.012672
Greenfield Union School District Bond 2010C, 2014A A1 B B1, 2015 2016 Ref & 2022 Ref AB	0.090991
Hartnell Community College District Bond 02 Ser CD, 2014 Ref A, 2015 Ref AB, 2016 Ref A & 2016 ABC	0.039897
King City Union School District Bond 1998C, 2003 Ref, 2020 Meas A Ser AB & 2020 Meas B Ser AB	0.129301
Mission Union Elementary School District Bond 2017 Refunding & 2024 Series A	0.033010
Monterey Peninsula Community College Bond 2016 Refunding & 2020 Ser AB	0.035668
Monterey Peninsula Unified School District Bond 2010 Ser ABCD, 2016 Ref & 2018 Ser ABCD	0.097226
North Monterey County Unified School District Bond 2012 Ref, 2013 B, 2016 Ref & 25 Ref	0.038536
Pacific Grove USD Bond 2006 E, 2015 Ref AB, 2016 2017 Ref & 2020 ABC	0.059932
Salinas City Elementary School District Bond 2008 Ser BCD, Ref Ser A, 2022 Meas G Ser A & 2022 Meas H Ser A	0.109663
Salinas Union High School District Bond 2014 Ser AB, 2017 Ref, 2020 Ser AB & 2024 Ser A	0.070814
Salinas Union High Middle Schools Improvement District Bond 2006 Refunding A	0.021106
San Antonio School District Bond 2017 Series A	0.030509
San Ardo School District Bond 2016 Series A	0.053379
San Lucas Union School District Bond 2023 Series A	0.043835
Santa Rita Union School District Bond 2006 Ser B & 2017 2019 Refunding	0.081301
Santa Rita Union School District Bond SFID No. 2022-1 Bond 2022 Series A	0.019226
Soledad Unified School District Bond 2012 Ser ABCD, 2018 AB, 2020 BC & 2024 Refunding	0.250220
South Monterey County Joint Union High School District Bond 2018 Ser A A-1 B B-1, 2024 Meas H Ser A, 2024 Meas I Ser A-1	0.081983
Spreckels Union School District Bond 2002 2012 Refunding & 2012 Ser A	0.058468
Washington Union School District Bond 2015 & 2017 Refunding	0.021162

Introduced: 9/4/2025

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Information Officer or his designee to execute Amendment No. 1 to the Standard Agreement with MagOne Media Incorporated for added video production services on an as-needed basis, with a term date of February 21, 2025 to February 20, 2028, adding $240,000 for a revised agreement total of $340,000; and
b. Authorize the Chief Information Officer or his designee, to execute order forms and such documents on an as-needed basis necessary to implement the Amendment No. 1 with MagOne Media Incorporated; and
c. Authorize the Chief Information Officer or his designee the option to extend the agreement up to three (3) additional one (1) year periods through February 20, 2031, and sign associated Order Forms, provided that the total additional costs do not exceed percent ten of the prior year's cost, with a maximum total increase of $412,645 for a total agreement not to exceed amount of $752,645 and as long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Authorize the Chief Information Officer or his designee to execute Amendment No. 1 to the Standard Agreement with MagOne Media Incorporated for added video production services on an as-needed basis, with a term date of February 21, 2025 to February 20, 2028, adding $240,000 for a revised agreement total of $340,000; and
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SUMMARY:
The County has entered a Standard Agreement with MagOne Media Incorporated to provide video production services in February 2025. The amendment is requesting an additional $240,000 which brings the not to exceed amount to $340,000, this action requires the Board of Supervisor's approval.

DISCUSSION:
The Agreement with MagOne Media Incorporated provides the County with production and broadcasting services on an as-needed basis.
The vendor also delivers video recording services of budget meetings and other special public meetings specified by the Clerk of the Board. There is a maximum of twelve public meetings, monthly recurring and special meetings broadcast to YouTube, Facebook, and the Government Channel. Approval of this amendment will increase the total contract amount allowing services to continue as requested and due to an additional demand in these types of services by County Administrative Office Public Information Officer.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
County Counsel has reviewed the agreement and approves as to legal form. Auditor-Controller's Office reviewed the contract and agrees to the standard payment provisions.

FINANCING:
The funds for payment of the costs of this Agreement have been included in the Fiscal Year 2025-2026 Adopted Budget for the Information Technology, ITD 1930, Appropriation Unit INF002. All future year costs will be included in the Requested Budget for each of the respective fiscal years.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The services provided pursuant to this agreement will support the video production services for the County's Board of Supervisors meetings and other meetings in the community.

____ Well-Being and Quality of Life
____ Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
____ Diverse and Thriving Economy
X Dynamic Organization and Employer of Choice

____ Administrative [Include one or two sentences referencing the Ordinance, Code, Board Order/Resolution, etc. in relation to this selection]

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Management Analyst III, 759-6920

Attachments:
MagOne Media Inc. Agreement
Amendment No. 1
Exhibit A

Introduced: 9/4/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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____ Administrative [Include one or two sentences referencing the Ordinance, Code, Board Order/Resolution, etc. in relation to this selection]

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Management Analyst III, 759-6920

Attachments:
MagOne Media Inc. Agreement
Amendment No. 1
Exhibit A

Docusign Envelope ID: 2760C8D9-4F27-48FA-89A1-A82D3A1EB96E

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Emilio Alex Garcia dba Mag One Media Incorporated

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services to be provided are generally described as follows:

Provide video production services on an as-needed basis.

2.0 PAYMENT PROVISIONS:

2.1 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 100,000.00

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from February 21, 2025 **to** February 20, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Exhibits B, C & D Attached

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 The Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

Mag One Media Incorporated
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NTE: $100,000.00

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9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

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If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:

CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

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Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County,

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to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

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13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Sarah House, Information Technology Manager	Alex Garcia, Chief Executive Officer
Name and Title	Name and Title
1590 Moffett Street Salinas, CA 93905	369 Main Street, Suite 201 Salinas, CA 93901
Address	Address
831- 262-7207	831-905-2137
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

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16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

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18.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: DocuSigned by: Debra Wilson 7B744987AA0B44B...
Contracts/Purchasing Officer

Date: 2/21/2025 | 4:55 AM PST

By:
Department Head (if applicable)

Date:

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: Signed by: Samuel Briderwell 31B2028C241644B...
County Counsel

Date: 2/20/2025 | 11:38 AM PST

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E70EF64E57454F6...
Auditor/Controller

Date: 2/20/2025 | 11:50 AM PST

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By: DocuSigned by: David Bolton 3E7A6EF11DD8446...
David Bolton, Risk Manager

Date: 2/20/2025 | 11:26 AM PST

CONTRACTOR

Mag One Media Incorporated
Contractor/Business Name *

By: DocuSigned by: Alex Garcia 50AAC898F9204C3...
(Signature of Chair, President, or Vice-President)

Alex Garcia, Chief Executive Officer
Name and Title

Date: 2/20/2025 | 11:21 AM PST

By:
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Name and Title

Date:

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

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EXHIBIT-A

To Agreement by and between
Information Technology Department, hereinafter referred to as "County"
AND
Mag One Media Incorporated, hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Provide video production/broadcasting services on an as-needed basis for public meetings in board chambers & throughout Monterey County for press conferences in addition to video content for the government channel 25.

I. Location of Services

II. Services for broadcasting will be at the following locations: 168 Alisal Street, Salinas CA, 1441 Schilling Place, Salinas, CA or any other County meeting rooms/locations equipped for broadcasting as specified by the COUNTY and in the community for press conferences held in Monterey County such as town hall meetings as requested by the COUNTY.

III. Scope of Services

Production:
Video producer shall produce, shoot, edit and finalize video content on an as-needed basis.

A. CONTRACTOR may produce video production and broadcasting services when on COUNTY property using existing COUNTY equipment.
B. CONTRACTOR shall furnish its own producing technology to produce elements of video, including but not limited to shooting, voicing, lighting, graphics, animation, editing, and music if services are provided in the community outside of the board chambers (COUNTY property).
C. CONTRACTOR shall create training videos for COUNTY departments on request providing an outline of desired production serves and quote before approval.
D. CONTRACTOR shall quantify production requests by COUNTY department and create an outline of desired production services and quote services as needed
E. CONTRACTOR shall work with various COUNTY departments in producing content pertaining to COUNTY business, information, or services.

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F. CONTRACTOR shall create shorts media clips for to be upload to various platforms such as: YouTube, Facebook, Instagram or other designed platforms deemed necessary by COUNTY representative.
G. Videos must be webcast quality and able to be reduced or expanded into size without demising quality, and in a file format for use within an app, website or social media platforms.
H. CONTRACTOR shall furnish its own producing technology to produce elements of video, including but not limited to shooting, voicing, lighting, graphics, animation, editing, and music.
I. CONTRACTOR shall produce podcast, social media, and or aid in preparation to COUNTY representatives as it relates to emergency responses, notification and information, bulletin board announcements on social media outlets.
J. COUNTY shall provide details of the event, including but not limited to the name of the event, length of the event, event location, time of the event, speakers names, anticipated equipment required such as translated audio capture, etc.
K. CONTRACTOR shall provide a secondary 4k recording of live-streaming events in case of connectivity issues for future publishing is needed.
L. CONTRACTOR shall provide Zoom meeting during mobile live-streaming events only as requested by the COUNTY. The Zoom meeting held will be for viewing purposes only.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/ PAYMENT

County shall pay the below for the performance of <u>all things necessary</u> for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms on an as-needed basis:

Photography and Video Production Services	
Description	**COST / As Needed**
Production Services	
2-hour minimum requirement	$500.00
Hourly Rate	$250.00
Post Production Video Editing	
2-hour minimum	$300.00

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Photography Services	
2-hour minimum	$300.00
Hourly Rate	$150.00

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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EXHIBIT-B

To Agreement by and between
Information Technology Department, hereinafter referred to as "COUNTY"
AND
Mag One Media, hereinafter referred to as "CONTRACTOR"

MONTEREY COUNTY GOVERNMENT CHANNEL COPYRIGHT AND OWNERSHIP

Copyright
COUNTY shall own the copyright to all programs produced and meetings recorded by the CONTRACTOR and any material contained therein by and for the COUNTY Government Channel.

Ownership
Any and all materials created, produced and/or acquired locally for the Government Channel shall be and are the property of COUNTY. Any such materials remaining in the hands of CONTRACTOR or subcontractor upon completion or termination of the work shall be delivered immediately to COUNTY. If any materials are lost, damaged or destroyed before final delivery to COUNTY, CONTRACTOR or SUBCONTRACTOR shall replace them at its own expense.

Raw Footage from COUNTY Productions
Raw footage from Government Channel productions shall be preserved by the CONTRACTOR until it can be archived by the COUNTY on a COUNTY-owned separate hard drive for safekeeping.

Distribution Services:
Distribution of any programming, in part or in whole, by an entity other than COUNTY by any other electronic or physical means is subject to prior written approval by COUNTY via the COUNTY Programming Coordinator.

Branding
Any programming funded and produced by CONTRACTOR for the COUNTY must contain the official COUNTY Seal and copyright language as specified by the COUNTY Programming Coordinator.

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EXHIBIT-C

To Agreement by and between
Information Technology Department, hereinafter referred to as "COUNTY"
AND
Mag One Media, hereinafter referred to as "CONTRACTOR"

MONTEREY COUNTY GOVERNMENT CHANNEL EMERGENCY VIDEO PRODUCTION

Emergency Productions

In situations where there is a need for urgent government programming, or if an emergency arises, CONTRACTOR shall be available to provide production services with short notice and agrees to expedite the production process. This emergency work may or may not be needed but is considered part of the scope of work and shall be performed as-needed at the rates set forth in EXHIBIT A without enhancement or increase.

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EXHIBIT-D

To Agreement by and between
Information Technology Department, hereinafter referred to as "COUNTY"
AND
Mag One Media, hereinafter referred to as "CONTRACTOR"

MONTEREY COUNTY GOVERNMENT CHANNEL VIDEO PRODUCTION SERVICES REQUIREMENTS

Program Production

CONTRACTOR will collaborate with the COUNTY representative to track and meet program turnaround time requirements.

Prior to a scheduled shoot date, COUNTY shall submit to CONTRACTOR a Program Request Form which summarizes the program request in writing. The form shall be subject to changes and additions which shall be mutually agreed upon in writing. Changes and additions may be submitted by COUNTY to Contractor within 24 hours prior to shoot date when an emergency such as cancellation necessitates.

CONTRACTOR may act as the field producer during assigned shoots for programs if assigned by the COUNTY Programming Coordinator.

For each half-hour program, a 30 second promo about the completed program shall be provided to COUNTY by the CONTRACTOR.

Production Timeline

CONTRACTOR shall be responsible for delivery, in DVD, digital format or other related formats as needed per the request of County representative, as a 'first draft' video program to the COUNTY Programming Coordinator at a specified and agreed upon time, but generally within 2 weeks of completion of field shooting. On receipt, COUNTY will review the draft program within 7-14 business days and respond with written instructions, additional edits or changes to be made. Such additions, edits or changes shall be completed by the CONTRACTOR within an agreed upon timeframe, but generally within 7 business days. Exceptions to these times can be made by agreement in writing by both parties. No more than 2 edit sessions to a program. Finished program can be hand delivered or mailed. CONTRACTOR is responsible for ensuring a delivery receipt if a finished program is mailed. The delivery address for the draft and finished product (DVD) will be:

Monterey County Administrative Office Attn: Communications Director / Staff
168 W. Alisal Street, 3rd Floor
Salinas, Ca. 93901

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All programming will meet general industry recording standards and shall include the ability to support a broad range of media types including, but not limited to: high-definition, standard, analog, digital recording, real-time transmission, and live streaming video.

Programs created for the government channel paid for using Public, Education and Government (**PEG**) Channel funds shall include a statement acknowledging funding support from COUNTY. Programs paid for from other sources may require similar acknowledgements. Any such requirement for acknowledgment shall be conveyed to CONRACTOR by COUNTY in advance of the program deadline for delivery.

Equipment

Any equipment purchased by COUNTY for the purpose of production, editing, storing and/or duplicating government channel materials which may be utilized by CONTRACTOR shall remain the property of COUNTY and will be tagged appropriately for asset reporting purposes

Copies & Duplication

Copies of the programming shall be provided as request by County representative. Vendor shall have the capability to provide digital or hard copies of all programming that may include, but not limited to: board chambers meeting, Government Channel programming, special meeting, public meetings, short meeting clips or segments of a meeting

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/12/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: CLC	
Leavitt Central Coast Insurance Services, Inc. License #0G39781 950 East Blanco Rd, Suite 103 Salinas CA 93901	PHONE (A/C, No, Ext): (831) 417-0343	FAX (A/C, No): (866) 688-5709
	E-MAIL ADDRESS: clclccis@leavitt.com	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Sentinel Insurance Company	11000
INSURER B : Hartford Casualty Insurance Company	29424
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Mag One Media, Inc
369 Main Street, Ste 201
Salinas CA 93901

COVERAGES **CERTIFICATE NUMBER:** 24-25 Master **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	Y		57SBABN7023	07/12/2023	07/12/2024	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: Y If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		57WECAA1WJK	03/31/2024	03/31/2025	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

County of Monterey, its officers, agents and employees are named additional insured with respect to General Liability on a Primary Non-Contributory basis including Waiver of Subrogation per form SS00080405

CERTIFICATE HOLDER

County of Monterey
Information Technology Dept
1590 Moffett Street
Salinas CA 93905

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Patricia J. Gilchrist

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BUSINESS LIABILITY COVERAGE FORM

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QUICK REFERENCE
BUSINESS LIABILITY COVERAGE FORM
READ YOUR POLICY CAREFULLY

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **C**. - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. - Liability And Medical Expenses Definitions.

A. COVERAGES

1. BUSINESS LIABILITY COVERAGE (BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY)

Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **D.** - Liability And Medical Expenses Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(b) The "bodily injury" or "property damage" occurs during the policy period; and

(c) Prior to the policy period, no insured listed under Paragraph **1.** of Section **C.** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **C.** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

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(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

(1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

(a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and

(b) You are not engaged in the business or occupation of providing such services.

(2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. MEDICAL EXPENSES

Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

3. COVERAGE EXTENSION - SUPPLEMENTARY PAYMENTS

a. We will pay, with respect to any claim or "suit" we investigate or settle, or any "suit" against an insured we defend:

(1) All expenses we incur.

(2) Up to $1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

(3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.

(5) All costs taxed against the insured in the "suit".

(6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under **(1)** through **(7)** above will not reduce the limits of insurance.

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b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

(1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the insured;

(3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

(5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(6) The indemnitee:

(a) Agrees in writing to:

(i) Cooperate with us in the investigation, settlement or defense of the "suit";

(ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(iii) Notify any other insurer whose coverage is available to the indemnitee; and

(iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(b) Provides us with written authorization to:

(i) Obtain records and other information related to the "suit"; and

(ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** – Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **(6)** above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

(1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or

(2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. Contractual Liability

(1) "Bodily injury" or "property damage"; or

(2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

(a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract", and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business, or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

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(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

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g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

(5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

(1) Legal, accounting or advertising services;

(2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;

(3) Supervisory, inspection, architectural or engineering activities;

(4) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;

(5) Any health or therapeutic service treatment, advice or instruction;

(6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

(7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

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(8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting,demonstration or distribution of ophthalmic lenses and similar products;

(9) Any:

(a) Body piercing (not including ear piercing);

(b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and

(c) Similar services;

(10) Services in the practice of pharmacy; and

(11) Computer consulting, design or programming services, including web site design.

Paragraphs **(4)** and **(5)** of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph **1.e.** in Section **A.** - Coverages.

k. Damage To Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Section **D.** - Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

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o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

(1) Arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity;

(2) Arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of a criminal act committed by or at the direction of the insured;

(4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";

(5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(6) Arising out of the wrong description of the price of goods, products or services;

(7) Arising out of any violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, service mark or other designation of origin or authenticity.

However, this exclusion does not apply to infringement, in your "advertisement", of

(a) Copyright;

(b) Slogan, unless the slogan is also a trademark, trade name, service mark or other designation of origin or authenticity; or

(c) Title of any literary or artistic work;

(8) Arising out of an offense committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** under the definition of "personal and advertising injury" in Section **G.** – Liability And Medical Expenses Definitions.

For the purposes of this exclusion, placing an "advertisement" for or linking to others on your web site, by itself, is not considered the business of advertising, broadcasting, publishing or telecasting;

(9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;

(11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

(12) Arising out of:

(a) An "advertisement" for others on your web site;

(b) Placing a link to a web site of others on your web site;

(c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or

(d) Computer code, software or programming used to enable:

(i) Your web site; or

(ii) The presentation or functionality of an "advertisement" or other content on your web site;

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(13) Arising out of a violation of any anti-trust law;

(14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities; or

(15) Arising out of discrimination or humiliation committed by or at the direction of any "executive officer", director, stockholder, partner or member of the insured.

q. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to the person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Violation Of Statutes That Govern E-Mails, Fax, Phone Calls Or Other Methods Of Sending Material Or Information

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section **D.** - Liability And Medical Expenses Limits Of Insurance.

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2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured
To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

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(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

(1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a.** through **f.** below are additional insureds when you have agreed, in a written

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section **F.** – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

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(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

(1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or

(b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

(1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In connection with your premises; or

(b) In the performance of your ongoing operations performed by you or on your behalf.

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

(1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or

(b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

(1) Any other person or organization who is not an insured under Paragraphs **a.** through **e**. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In the performance of your ongoing operations;

(b) In connection with your premises owned by or rented to you; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if

(i) The written contract or written agreement requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section **D.** – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E.** – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.

b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or

b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

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If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph **3.** above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

(1) You or any additional insured that is an individual;

(2) Any partner, if you or an additional insured is a partnership;

(3) Any manager, if you or an additional insured is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;

(5) Any trustee, if you or an additional insured is a trust; or

(6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

This Paragraph **f.** applies separately to you and any additional insured.

3. Financial Responsibility Laws

a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.

b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom a claim is made or "suit" is brought.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **A.** – Coverages.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **A.** – Coverages.

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(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph **6.** (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section **C.**, Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

a. In the performance of your ongoing operations; or

b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

(1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

(1) Any "occurrence" that takes place after you cease to lease that land; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision – Permits

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

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Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or

(2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. The insurance afforded to the vendor is subject to the following additional exclusions:

(1) This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

a. Their financial control of you; or

b. Premises they own, maintain or control while you lease or occupy these premises.

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This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations for the additional insured(s); or

(2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal an advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section **D.** – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E.** – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

a. (1) Radio;

(2) Television;

(3) Billboard;

(4) Magazine;

(5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or

b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

a. Injury;

b. Sickness; or

c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

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a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in **a.** above;

(2) The activities of a person whose home is in the territory described in **a**. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

7. "Electronic data" means information, facts or programs:

a. Stored as or on;

b. Created or used on; or

c. Transmitted to or from

computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** – Liability and Medical Expenses Limits of Insurance.

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

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(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

Docusign Envelope ID: 2760C8D9-4F27-48FA-89A1-A82D3A1EB96E

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written or electronic publication of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or

h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.

18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard";

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

20. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.

As used in this definition, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Volunteer worker" means a person who:

a. Is not your "employee";

b. Donates his or her work;

c. Acts at the direction of and within the scope of duties determined by you; and

d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

AMENDMENT NO. 1 TO STANDARD AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY, THROUGH ITS INFORMATION TECHNOLOGY DEPARTMENT & MAGONE MEDIA, INCORPORATED

THIS AMENDMENT is made to the STANDARD AGREEMENT ("AGREEMENT") dated February 21, 2025, for video production services to support public meetings held in Board of Supervisors Chambers, community locations and in the field by and between MagOne Media, Incorporated, hereinafter "CONTRACTOR," and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY."

WHEREAS, the COUNTY and CONTRACTOR wish to amend the AGREEMENT to increase the contract by $240,000 for a total not to exceed amount of $340,000 and replace Exhibit A with Exhibit A-1; and

NOW THEREFORE, the COUNTY and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. **Section 2.0, "PAYMENT PROVISIONS"**, shall be amended to the following: "…is not to exceed the sum of $340,000."

2. **Section 4.0, "SCOPE OF SERVICES AND ADDITIONAL PROVISIONS,"** shall be amended by "Exhibit A-1", attached to this Amendment No.1.

Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT NO. 1 and shall continue in full force and effect as set forth in the AGREEMENT.

A copy of this AMENDMENT NO. 1 shall be attached to the original AGREEMENT.

This space left blank intentionally.

IN WITNESS WHEREOF, the parties have executed this AMENDMENT NO. 1 on the day and year written below.

MONTEREY COUNTY	**CONTRACTOR**
Dated:	Emilio Alex Garcia, CEO
Contracts & Procurement Officer	By:
Eric A. Chatham, Chief Information Officer	Signature of Chair, President, or Vice-President
Dated:	Dated: 09/03/25
Approved as to Fiscal Provisions:	By:
Deputy Auditor/Controller	Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*
Dated:	Dated:
Reviewed as to Liability Provisions *Office of the County Counsel Risk Management:*	
David Bolton, Risk Manager	
Dated:	
Approved as to Form *Office of the County Counsel* *Susan K. Blitch, County Counsel:*	
Samuel Beiderwell, Deputy County Counsel	
Dated:	

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this AGREEMENT on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the AGREEMENT.

EXHIBIT-A1

To Agreement by and between
Information Technology Department, hereinafter referred to as "County"
AND
Mag One Media Incorporated, hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Provide video production/broadcasting services on an as-needed basis for public meetings in board chambers & throughout Monterey County for press conferences in addition to video content for the government channel 25.

I. Location of Services

II. Services for broadcasting will be at the following locations: 168 Alisal Street, Salinas CA, 1441 Schilling Place, Salinas, CA or any other County meeting rooms/locations equipped for broadcasting as specified by the COUNTY and in the community for press conferences held in Monterey County such as town hall meetings as requested by the COUNTY.

III. Scope of Services

Production:
Video producer shall produce, shoot, edit and finalize video content on an as-needed basis.

A. CONTRACTOR may produce video production and broadcasting services when on COUNTY property using existing COUNTY equipment.
B. CONTRACTOR shall furnish its own producing technology to produce elements of video, including but not limited to shooting, voicing, lighting, graphics, animation, editing, and music if services are provided in the community outside of the board chambers (COUNTY property).
C. CONTRACTOR shall create training videos for COUNTY departments on request providing an outline of desired production serves and quote before approval.
D. CONTRACTOR shall quantify production requests by COUNTY department and create an outline of desired production services and quote services as needed
E. CONTRACTOR shall work with various COUNTY departments in producing content pertaining to COUNTY business, information, or services.

F. CONTRACTOR shall create shorts media clips for to be upload to various platforms such as: YouTube, Facebook, Instagram or other designed platforms deemed necessary by COUNTY representative.
G. Videos must be webcast quality and able to be reduced or expanded into size without demising quality, and in a file format for use within an app, website or social media platforms.
H. CONTRACTOR shall produce podcast, social media, and or aid in preparation to COUNTY representatives as it relates to emergency responses, notification and information, bulletin board announcements on social media outlets.
I. COUNTY shall provide details of the event, including but not limited to the name of the event, length of the event, event location, time of the event, speakers names, anticipated equipment required such as translated audio capture, etc.
J. CONTRACTOR shall provide a secondary 4k recording of live-streaming events in case of connectivity issues for future publishing is needed.
K. CONTRACTOR shall initiate Zoom meeting during mobile live-streaming events only as requested by the COUNTY. The Zoom meeting held will be for viewing purposes only.
L. CONTRACTOR shall provide production and broadcasting services for public meetings held at 168 W. Alisal Street, Salinas and 1441 Schilling Place, Salinas **at a rate specified in Section B.1**.
M. Any other public meetings held by County and supported by CONTRACTOR not at the addresses specified in this Agreement will be at the rates specified in Section B.1 Production Services. These meetings will be non-recurring and considered special events requiring CONTRACTOR to provide additional equipment as needed if County "in the field" mobile production and broadcasting equipment will not suffice.
N. For **recurring** production and broadcasting services specified in Section B.1, , CONTRACTOR will provide the services for all public meetings both recurring and special meetings held in the Board Chambers and Monterey Conference Room with existing audio-visual equipment in the rooms. Prior to the meetings, CONTRACTOR will test the equipment end to end with County assigned staff.
O. For recurring production and broadcasting services specified in Section B.1., CONTRACTOR will meet with COUNTY on a quarterly basis to discuss services, changes, support needed, and any other topics related to the recurring production and broadcasting services needed by County. There will be no additional charges for this meeting and will be included in the monthly recurring charges.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/ PAYMENT

County shall pay the below for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms on an as-needed basis:

VIDEO PRODUCTION, BROADCASTING, AND OTHER SERVICES	
Description	**Rates**
Production Services	
2-hour minimum requirement	$ 500.00
Hourly Rate	$ 250.00
Post Production Video Editing	
2-hour minimum	$ 300.00
Photography Services	
2-hour minimum	$ 300.00
Hourly Rate	$ 150.00
Public Meeting Production & Broadcasting Services in Board Chambers and Monterey Room at 168 W. Alisal Street, Salinas or 1441 Schilling Place, Salinas (Includes budget meetings and other special public meetings specified by the Clerk of the Board)	
Maximum of 12 Public Meetings/ Monthly Recurring and special meetings broadcast to YouTube, Facebook, and Government Channel. No maximum number of hours per day at the recurring rate.	$ 10,000.00
Additional Meetings: broadcast to YouTube, Facebook, and Government Channel	$ 1,000.00

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

Introduced: 8/27/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: General Agenda Item

a. Authorize an additional contingency of 10% or $ 69,183 of the contract amount with Coastal Paving & Excavating, Inc., for the Viejo Road Emergency Storm Damage, Project No. 621095C, Federal Aid Project No: PA-09-CA-4308-PW-00651 to provide funding for approved contract change orders; and
b. Authorize the Director of Public Works, Facilities, and Parks (PWFP) to execute contract change orders where the overall total value of change orders does not exceed 20% or $ 138,366 of the original contract amount of $ 691,831 and where the change orders do not significantly change the scope of work.

California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on October 8, 2021, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities.

RECOMMENDATION:

It is recommended that the Board of Supervisors:
a. Authorize an additional contingency of 10% or $69,183 of the contract amount with Coastal Paving & Excavating, Inc., for the Viejo Road Emergency Storm Damage, Project No. 621095C, Federal Aid Project No: PA-09-CA-4308-PW-00651 to provide funding for approved contract change orders; and
b. Authorize the Director of Public Works, Facilities, and Parks (PWFP) to execute contract change orders where the overall total value of change orders does not exceed 20% or $ 138,366 of the original contract amount of $ 691,831 and where the change orders do not significantly change the scope of work.

SUMMARY/DISCUSSION:

On May 6, 2025, the Board of Supervisors awarded a contract to Coastal Paving & Excavating, Inc. for the construction of the Viejo Road Emergency Storm Damage Project, Project No. 621095C, Federal Aid Project No. PA-09-CA-4308-PW-00651 for the total contract amount $691,831. As part of this action, the Board also authorized a contingency not to exceed 10% of the contract amount or $69,183 to provide funding for approved contract change orders and authorized the Director of PWFP to execute the contract in accordance with the Public Contract Code and approve change orders to the contract that do not exceed 10% of the original contract amount.

This project involves repairing a section of Viejo Road damaged during the winter storms of 2017. The approved scope of work includes reconstructing the embankment with engineered fill, replacing an existing culvert, and upgrading drainage features to improve storm event capacity. Construction began on June 16, 2025, and is expected to be completed by the end of September 2025. As of August 2025, construction is approximately 70% complete.

During construction, contract change orders were executed to address unforeseen field conditions. The proposed additional work is necessary, as requested by staff, to restore the embankment. The County anticipates that these extra costs will be eligible for FEMA reimbursement. No contract retention is accrued for this project since it is funded with Federal funds.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed and approved contract, insurance and indemnification provisions, and fiscal terms, respectively.

FINANCING:

The total project cost, including engineering, environmental, and construction is $1,752,639. Staff anticipates FEMA and CalOES reimbursements to cover the eligible cost. After completion of the project, an estimated reimbursement of $1,314,479 is expected from FEMA and $328,619 from CalOES. The County's share of $109,541 will be paid with Measure X funds. The proposed additional 10% contingency would be $ 69,183, resulting in a total project contingency of 20%, or $138,366. Measure X will be cash flowing this project.

This will increase the project total to $1,752,639. The contract change order for the additional and unforeseen work is estimated at $48,392. The proposed additional contingency amount of $138,366 will cover the additional contract change order costs.

There are sufficient appropriations adopted in the FY 2025-26 Road Fund 002, Appropriation Unit PFP004 budget to finance the construction phase of the project.

Prepared by: Victor M Gutierrez, Project Manager III, (831) 755-4806
Reviewed by: Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Prepared Date: August 15, 2025

The following attachments are on file with the Clerk of the Board:
Attachment A - Location Map
Attachment B - Project Budget

Introduced: 8/27/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: General Agenda Item

a. Authorize an additional contingency of 10% or $ 69,183 of the contract amount with Coastal Paving & Excavating, Inc., for the Viejo Road Emergency Storm Damage, Project No. 621095C, Federal Aid Project No: PA-09-CA-4308-PW-00651 to provide funding for approved contract change orders; and
b. Authorize the Director of Public Works, Facilities, and Parks (PWFP) to execute contract change orders where the overall total value of change orders does not exceed 20% or $ 138,366 of the original contract amount of $ 691,831 and where the change orders do not significantly change the scope of work.

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This project involves repairing a section of Viejo Road damaged during the winter storms of 2017. The approved scope of work includes reconstructing the embankment with engineered fill, replacing an existing culvert, and upgrading drainage features to improve storm event capacity. Construction began on June 16, 2025, and is expected to be completed by the end of September 2025. As of August 2025, construction is approximately 70% complete.

During construction, contract change orders were executed to address unforeseen field conditions. The proposed additional work is necessary, as requested by staff, to restore the embankment. The County anticipates that these extra costs will be eligible for FEMA reimbursement. No contract retention is accrued for this project since it is funded with Federal funds.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed and approved contract, insurance and indemnification provisions, and fiscal terms, respectively.

FINANCING:

The total project cost, including engineering, environmental, and construction is $1,752,639. Staff anticipates FEMA and CalOES reimbursements to cover the eligible cost. After completion of the project, an estimated reimbursement of $1,314,479 is expected from FEMA and $328,619 from CalOES. The County's share of $109,541 will be paid with Measure X funds. The proposed additional 10% contingency would be $ 69,183, resulting in a total project contingency of 20%, or $138,366. Measure X will be cash flowing this project.

This will increase the project total to $1,752,639. The contract change order for the additional and unforeseen work is estimated at $48,392. The proposed additional contingency amount of $138,366 will cover the additional contract change order costs.

There are sufficient appropriations adopted in the FY 2025-26 Road Fund 002, Appropriation Unit PFP004 budget to finance the construction phase of the project.

Prepared by: Victor M Gutierrez, Project Manager III, (831) 755-4806
Reviewed by: Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Prepared Date: August 15, 2025

The following attachments are on file with the Clerk of the Board:
Attachment A - Location Map
Attachment B - Project Budget

Attachment A

Attachment A – Location Map

ATTACHMENT B – PROJECT BUDGET

COUNTY OF MONTEREY
PUBLIC WORKS, FACILITIES & PARKS
VIEJO ROAD EMERGENCY STORM DAMAGE,
FEDERAL AID PROJECT NO: PA-09-CA-4308-PW-00651

PROJECT BUDGET

Design Engineering/Environmental	$ 535,742
Right of Way/Utilities	
Construction Management	$ 386,700
Construction Contract	
Coastal Paving & Excavating	$ 691,831
10% Contingencies	$ 69,183
10% Additional Contingency	$ 69,183
TOTAL ESTIMATED PROJECT COST:	**$ 1,752,639**

REVENUE

Federal Funds	
FEMA	$ 1,314,479
State Funds	
CalOES	$ 328,619
Local Funds	
Measure X	$ 109,541
TOTAL:	**$ 1,752,639**

County of Monterey

Board Report

Legistar File Number: A 25-372

Item No.57

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 16, 2025

Introduced: 8/28/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve a Cost Sharing Agreement between the City of Carmel-by-the-Sea and the County of Monterey for the Pavement Rehabilitation of the portion of Ocean Avenue between just west of Cabrillo Highway, California State Route 1, also known as the Pacific Coast Highway and Carpenter Street, for a term effective the execution date of the Agreement anticipated to end fiscal year 26, for a total amount of $400,000; and
b. Authorize the Director of Public Works, Facilities and Parks to sign the Cost Sharing Agreement, including a County contribution of $400,000 for construction.
California Environmental Quality Act (CEQA) action: Categorically exempt per California Code of Regulations section 15301 Existing Facilities - (c) Existing highways and streets.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Approve a Cost Sharing Agreement between the City of Carmel-by-the-Sea and the County of Monterey for the Pavement Rehabilitation of the portion of Ocean Avenue between just west of Cabrillo Highway, California State Route 1, also known as the Pacific Coast Highway and Carpenter Street, for a term effective the execution date of the Agreement anticipated to end fiscal year 26, for a total amount of $400,000; and
b. Authorize the Director of Public Works, Facilities and Parks to sign the Cost Sharing Agreement, including a County contribution of $400,000, for construction.

SUMMARY/DISCUSSION:
County of Monterey (County) Department of Public Works, Facilities and Parks (PWFP) staff have been working collaboratively with the City of Camel-by-the-Sea (City) on the development of the City-led proposed project to construct pavement improvements along the 1,015-foot portion of Ocean Avenue ("Pavement Rehabilitation") that extends beyond the City limits and lies within the unincorporated County right of way. This section of Ocean Avenue is located just west of Cabrillo Highway (California State Route [SR] 1), also known as the Pacific Coast Highway. The pavement improvements within this unincorporated County area are hereinafter referred to as the "Project".

The City proposes to construct Pavement Rehabilitation improvements, along the entire 1,015-foot portion of Ocean Avenue. Additionally, the City will provide construction inspection services for the Project. In return, the County proposes to collaborate with the City on the Project's construction and to issue a no-fee encroachment permit allowing the City to perform work within the County's jurisdiction for the duration of the Project.

The City is in the process of finalizing Project plans, with construction scheduled to begin later this fall. The Pavement Rehabilitation of Ocean Avenue, from the City limits to SR 1, is included in the County's Capital Improvement Program (CIP) for fiscal years (FY) 2028-29 and 2029-30. The Project is scheduled to begin the engineering/design phase in FY 2028-29.

As part of its comprehensive infrastructure initiative, the City initiated a collaborative effort with the County to extend roadway improvements along Ocean Avenue, from the eastern City limits to Cabrillo Highway. These improvements include lowering utility irons, patch paving, conform grinding, reconstructing several Americans with Disabilities Act (ADA) ramps, placing asphalt concrete (AC) overlay, restoring AC berms and swales, reapplying pavement markings, and raising utility irons. This extension is essential to maintaining continuity in pavement quality, design standards, and long-term performance along this key regional corridor.

In June 2024, City Council adopted the CIP Budget for FY 2024-25, which allocated $2,810,000 for street repairs within the City. Construction of this work is expected to begin in Summer 2025 and continue into Fall 2025.
The purpose of the Project is to extend the service life of Ocean Avenue, a County-maintained roadway, from the City of Carmel-by-the-Sea limits to SR 1. The Project will rehabilitate the pavement using recycling methods and/or the placement of hot-mix asphalt. Upon completion, Ocean Avenue will continue to support transportation mobility for residents, businesses, and visitors throughout the County.
The Project is categorically exempt from the California Environmental Quality Act (CEQA) per California Code of Regulations section 15301 - Existing Facilities (c) Existing highways and streets, as it involves the rehabilitation and maintenance of an existing public roadway. Funding for the Project will come from Measure X, Senate Bill 1 (SB 1), and/or Transient Occupancy Tax revenues.
Ongoing maintenance will be minimal initially due to the roadway's new condition; however, as the pavement ages, routine maintenance will be performed by PWFP Maintenance staff as part of standard operations.
The recommended actions would allow for the approval of the proposed Cost Sharing Agreement (Agreement) between the County and the City (Attachment A), formally outlining the shared roles and responsibilities for this collaborative Project.

The collaborative effort between the County and the City potentially reduces the administrative costs associated with procurement, contract administration, and related tasks for this portion of work for the Project.
Staff recommends that the Board approve the proposed Agreement to define and establish the respective roles and responsibilities of the County and the City. The Agreement, with a County contribution of $400,000, will take effect upon execution and anticipated to remain in place until the end of fiscal year 26.

OTHER AGENCY INVOLVEMENT:
PWFP has collaborated with City staff in drafting and developing terms for the Agreement. The Agreement was approved by City Council on June 2, 2025. The Office of the County Counsel, including Risk Management, and the Auditor-Controller's Office have reviewed and approved the Agreement as to form, indemnification and insurance, and fiscal provisions, respectively.

FINANCING:
The estimated cost for the Project is $400,000 and is anticipated to be funded by a combination of Measure X funds and Senate Bill 1 (SB 1) funds. Additionally, the Pavement Rehabilitation for Ocean Avenue, from the City limits to County limits, is part of the County's CIP, for approximately $160,000 in FY 2028-29 and $660,500 in FY 2029-30. Approval of this Agreement will complete the Project in FY 2025-26 at lesser cost given that the Project would be combined with a larger City-wide project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The recommended actions support the Board of Supervisors' Strategic Initiatives for Infrastructure by addressing a roadway in urgent need of reconstruction and extending its service life through resurfacing techniques. These improvements respond directly to community concerns and will provide lasting benefits to residents, County constituents, and visitors. The proposed project will enhance the durability of the pavement and ensure continued transportation mobility for the County's residents, businesses, and visitors.

__ Administration
__ Health and Human Services
X Infrastructure
__ Public Safety

Prepared by: Jonathan Pascua, PE, Senior Civil Engineer, (831) 755-8963
Dalia Mariscal-Martinez, Management Analyst III
Reviewed by: Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachment is on file with the Clerk of the Board:
Attachment A - Proposed Agreement
Attachment B - Location Map

Introduced: 8/28/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve a Cost Sharing Agreement between the City of Carmel-by-the-Sea and the County of Monterey for the Pavement Rehabilitation of the portion of Ocean Avenue between just west of Cabrillo Highway, California State Route 1, also known as the Pacific Coast Highway and Carpenter Street, for a term effective the execution date of the Agreement anticipated to end fiscal year 26, for a total amount of $400,000; and
b. Authorize the Director of Public Works, Facilities and Parks to sign the Cost Sharing Agreement, including a County contribution of $400,000 for construction.
California Environmental Quality Act (CEQA) action: Categorically exempt per California Code of Regulations section 15301 Existing Facilities - (c) Existing highways and streets.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Approve a Cost Sharing Agreement between the City of Carmel-by-the-Sea and the County of Monterey for the Pavement Rehabilitation of the portion of Ocean Avenue between just west of Cabrillo Highway, California State Route 1, also known as the Pacific Coast Highway and Carpenter Street, for a term effective the execution date of the Agreement anticipated to end fiscal year 26, for a total amount of $400,000; and
b. Authorize the Director of Public Works, Facilities and Parks to sign the Cost Sharing Agreement, including a County contribution of $400,000, for construction.

SUMMARY/DISCUSSION:
County of Monterey (County) Department of Public Works, Facilities and Parks (PWFP) staff have been working collaboratively with the City of Camel-by-the-Sea (City) on the development of the City-led proposed project to construct pavement improvements along the 1,015-foot portion of Ocean Avenue ("Pavement Rehabilitation") that extends beyond the City limits and lies within the unincorporated County right of way. This section of Ocean Avenue is located just west of Cabrillo Highway (California State Route [SR] 1), also known as the Pacific Coast Highway. The pavement improvements within this unincorporated County area are hereinafter referred to as the "Project".

The City proposes to construct Pavement Rehabilitation improvements, along the entire 1,015-foot portion of Ocean Avenue. Additionally, the City will provide construction inspection services for the Project. In return, the County proposes to collaborate with the City on the Project's construction and to issue a no-fee encroachment permit allowing the City to perform work within the County's jurisdiction for the duration of the Project.

The City is in the process of finalizing Project plans, with construction scheduled to begin later this fall. The Pavement Rehabilitation of Ocean Avenue, from the City limits to SR 1, is included in the County's Capital Improvement Program (CIP) for fiscal years (FY) 2028-29 and 2029-30. The Project is scheduled to begin the engineering/design phase in FY 2028-29.

As part of its comprehensive infrastructure initiative, the City initiated a collaborative effort with the County to extend roadway improvements along Ocean Avenue, from the eastern City limits to Cabrillo Highway. These improvements include lowering utility irons, patch paving, conform grinding, reconstructing several Americans with Disabilities Act (ADA) ramps, placing asphalt concrete (AC) overlay, restoring AC berms and swales, reapplying pavement markings, and raising utility irons. This extension is essential to maintaining continuity in pavement quality, design standards, and long-term performance along this key regional corridor.

In June 2024, City Council adopted the CIP Budget for FY 2024-25, which allocated $2,810,000 for street repairs within the City. Construction of this work is expected to begin in Summer 2025 and continue into Fall 2025.
The purpose of the Project is to extend the service life of Ocean Avenue, a County-maintained roadway, from the City of Carmel-by-the-Sea limits to SR 1. The Project will rehabilitate the pavement using recycling methods and/or the placement of hot-mix asphalt. Upon completion, Ocean Avenue will continue to support transportation mobility for residents, businesses, and visitors throughout the County.
The Project is categorically exempt from the California Environmental Quality Act (CEQA) per California Code of Regulations section 15301 - Existing Facilities (c) Existing highways and streets, as it involves the rehabilitation and maintenance of an existing public roadway. Funding for the Project will come from Measure X, Senate Bill 1 (SB 1), and/or Transient Occupancy Tax revenues.
Ongoing maintenance will be minimal initially due to the roadway's new condition; however, as the pavement ages, routine maintenance will be performed by PWFP Maintenance staff as part of standard operations.
The recommended actions would allow for the approval of the proposed Cost Sharing Agreement (Agreement) between the County and the City (Attachment A), formally outlining the shared roles and responsibilities for this collaborative Project.

The collaborative effort between the County and the City potentially reduces the administrative costs associated with procurement, contract administration, and related tasks for this portion of work for the Project.
Staff recommends that the Board approve the proposed Agreement to define and establish the respective roles and responsibilities of the County and the City. The Agreement, with a County contribution of $400,000, will take effect upon execution and anticipated to remain in place until the end of fiscal year 26.

OTHER AGENCY INVOLVEMENT:
PWFP has collaborated with City staff in drafting and developing terms for the Agreement. The Agreement was approved by City Council on June 2, 2025. The Office of the County Counsel, including Risk Management, and the Auditor-Controller's Office have reviewed and approved the Agreement as to form, indemnification and insurance, and fiscal provisions, respectively.

FINANCING:
The estimated cost for the Project is $400,000 and is anticipated to be funded by a combination of Measure X funds and Senate Bill 1 (SB 1) funds. Additionally, the Pavement Rehabilitation for Ocean Avenue, from the City limits to County limits, is part of the County's CIP, for approximately $160,000 in FY 2028-29 and $660,500 in FY 2029-30. Approval of this Agreement will complete the Project in FY 2025-26 at lesser cost given that the Project would be combined with a larger City-wide project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The recommended actions support the Board of Supervisors' Strategic Initiatives for Infrastructure by addressing a roadway in urgent need of reconstruction and extending its service life through resurfacing techniques. These improvements respond directly to community concerns and will provide lasting benefits to residents, County constituents, and visitors. The proposed project will enhance the durability of the pavement and ensure continued transportation mobility for the County's residents, businesses, and visitors.

__ Administration
__ Health and Human Services
X Infrastructure
__ Public Safety

Prepared by: Jonathan Pascua, PE, Senior Civil Engineer, (831) 755-8963
Dalia Mariscal-Martinez, Management Analyst III
Reviewed by: Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachment is on file with the Clerk of the Board:
Attachment A - Proposed Agreement
Attachment B - Location Map

Attachment A

Docusign Envelope ID: A1524457-365E-4FC4-8A33-96031C6FCA84

COST SHARING AGREEMENT BETWEEN THE CITY OF CARMEL-BY-THE-SEA AND COUNTY OF MONTEREY FOR THE PAVEMENT REHABILITATION OF THE PORTION OF OCEAN AVENUE BETWEEN CABRILLO HIGHWAY AND CARPENTER STREET

This Cost Sharing Agreement (the "Agreement") by and between the City of Carmel-by-the-Sea, a California general law city and municipal corporation (hereinafter "City"), and the County of Monterey, California, (the "County"), collectively the "Parties." This Agreement shall be effective as of the date of the last signature of the Agreement ("Effective Date").

RECITALS

WHEREAS, the City proposes to construct pavement improvements, on Ocean Ave; and

WHEREAS, a portion of Ocean Avenue lies outside the City limits and within unincorporated County Right-of-Way; and

WHEREAS, the County requested the City include within the scope of its work rehabilitation of the pavement for the 1,015-foot portion of Ocean Avenue ("Pavement Rehabilitation") that lies within the unincorporated County Right-of-Way just west of Cabrillo Highway, California State Route 1, also known as the Pacific Coast Highway. The pavement improvements within the unincorporated County Right-of-Way shall be referred to herein the "Project".

WHEREAS, the City estimates the Project costs to be approximately four hundred thousand ($400,000).

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual goals and objectives contained herein, the Parties agree as follows:

Docusign Envelope ID: A1524457-365E-4FC4-8A33-96031C6FCA84

1. **County Reimbursement of City Costs**:

The County shall reimburse the City the actual construction costs for the Project and soft costs associated therewith, the total of which is estimated to be four hundred thousand ($400,000) as agreed to per Exhibit A (attached and incorporated by this reference) and shown on Exhibit B (attached and incorporated by this reference). The City shall notify the County when actual costs have reached four hundred thousand ($400,000).

2. **Payment of Invoices:**

Invoices for reimbursement shall be submitted to the County on a monthly basis and shall contain all necessary supporting documentation and detail in a form acceptable to the County, including but not limited to all timecards, invoices, and any conditional and unconditional waivers. County shall have the right to review and confirm that the invoices submitted by the City for reimbursement are in conformance with the terms of this Agreement prior to forwarding to the County Auditor-Controller. Payments will be made within 45 days of receipt of complete invoices (which have been determined to conform to the terms of this Agreement by Public Works, Facilities, and Parks) by the County Auditor-Controller.

3. **County Utility Obligations:**

The County shall coordinate and confirm all utilities within the Project area. The County shall verify that all known utilities are shown accurately. The County shall pothole excavate any utility conflicts, known and unknown, prior to the start of construction.

4. **City Inspection Obligations:**

The City shall be responsible for providing construction inspection services associated with construction of the Project. The City will include in the invoices to the County the cost for the construction inspection services of the Project. Quality assurance inspections provided by the County shall be coordinated with the City Superintendent and City Project Manager.

5. **County Encroachment Permit Obligations:**

The County shall provide a no fee encroachment permit to the City for work to be done within the County's jurisdiction throughout the duration of the Project.

6. **Ongoing Maintenance Obligation:**

a. County's Maintenance Obligation: The County accepts all future maintenance responsibility of the pavement within the Project area as shown on [Exhibit B].

b. City's Maintenance Obligation: The City accepts all future maintenance responsibility of the pavement rehabilitation within City limits. The City's future maintenance obligation specifically includes the **300-feet portion of Ocean Avenue** that lies within the City limits. Such maintenance to be performed by the City shall be at a level that meets the standards for roads within the City.

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7. Indemnity:

a. County's Indemnity Obligation: The County shall fully defend, indemnify and hold the City, its officers, agents and employees harmless against all claims for damages to persons or property arising out of the County's ongoing maintenance obligations of the pavement in the Project area.

b. City's Indemnity Obligation: The City shall fully defend, indemnify and hold the County, its officers, agents and employees harmless against all claims for damages to persons or property arising out of the City's ongoing maintenance obligations of the pavement rehabilitation that lies within the City limits.

8. Insurance:

The City will require all contractors and subcontractors to name the City and the County, and their officers, agents and employees as additional insureds on their general liability and automobile liability policies for work on the pavement rehabilitation on Ocean Avenue. These insurance policies must have minimum limits of $2 million per occurrence and $5 million aggregate and the contractors and subcontractors must provide to the City and County a certificate of insurance and endorsements confirming the additional insured coverage in the amounts specified herein.

9. Notices:

All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered as follows:

City of Carmel-by-the-Sea
Attn: Javier Hernandez, Public Works Project Manager
City of Carmel-by-the-Sea
Public Works Department
P.O. Box CC
Carmel, California 93921

County of Monterey
Department of Public Works, Facilities and Parks
Attn: Randell Ishii, Director
1441 Schilling Place, 2nd Floor
Salinas, California 93901
(831) 784-5647
IshiiR@countyofmonterey.gov

10. General Provisions.

a. The Parties agree to execute, acknowledge and deliver any and all additional papers documents and other assurances, and shall perform any and all acts and things reasonably necessary, in connection with the performance of the obligations hereunder and to carry out the intent of the Parties.

b. This Agreement may be executed in counterparts and by electronic signatures and shall have the same force and legal effect as an executed original.

Docusign Envelope ID: A1524457-365E-4FC4-8A33-96031C6FCA84

COUNTY OF MONTEREY

Public Works, Facilities and Parks

By: _____
Randell Ishii
Director of PWFP

Date: _____

Approved as to Form
Office of the County Counsel
Susan K. Blitch, County Counsel

By: Signed by: Mary Grace Perry 76A18B9BA72D498...
Mary Grace Perry
Deputy County Counsel

Date: 7/14/2025 | 12:46 PM PDT

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Name: Patricia Ruiz
Title: Auditor/Controller
Date: 7/14/2025 | 1:42 PM PDT

Approved as to Indemnification and
Insurance Provisions
Office of the County Counsel
Risk Management Division
Susan K. Blitch, County Counsel

By: DocuSigned by: David Bolton 3E7A6EF11DD8446...
David Bolton
Risk Manager

Date: 7/14/2025 | 12:52 PM PDT

_____
Contractor's Business Name

By: _____
Mitch Skyer, President

Date: _____

By: _____
Kris Laseter, COO

Date: _____

Docusign Envelope ID: A1524457-365E-4FC4-8A33-96031C6FCA84

CITY OF CARMEL-BY-THE-SEA

By: Signed by: Dale Byrne 7BF0067B4D2C4CB...

Dale Byrne
Mayor, City of Carmel-by-the-Sea

Date: 6/17/2025

By: Signed by: Brian Pierik C8F3045459A74A8...

Brian Pierik
City Attorney

Date: 6/17/2025

Approved as to Form

By: DocuSigned by: Nova Romero 4B0C5656B52C4E2...

Nova Romero
City Clerk

Date: 6/17/2025

Docusign Envelope ID: A1524457-365E-4FC4-8A33-96031C6FCA84

EXHIBIT A – PRELIMINARY ESTIMATE

OCEAN AVE RESURFACING
Carmel-by-the-Sea to State Route 1

Item No	Item Code	F S	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Amount
1	170103		Clearing and Grubbing	LS	1	75,000.00	75,000.00
2	390095		Replace Asphalt Concrete Surfacing	CY	208	390.00	81,120.00
3	390132		Hot Mix Asphalt (Type A) (0.2' Thick)	TON	550	250.00	37,500.00
4	393001		Pavement Reinforcing Fabric	SQYD	1,250	2.25	2,812.50
5	394073A		Place Hot Mix Asphalt Rolled Berm	LF	90	20.00	1,800.00
6	397005		Tack Coat	TON	1	1,200.00	1,200.00
7	398200		Cold Plane Asphalt Concrete Pavement	SQYD	350	25.00	8,750.00
8	780210A		Survey Monument	EA	5	1,200.00	6,000.00
9	810230	S	Pavement Marker (Retroreflective)	EA	30	6.00	180.00
10	820130		Object Marker (Culvert Marker)	EA	3	100.00	300.00
11	820750		Furnish Single Sheet Aluminum Sign (0.063 - Unframed)	SQFT	81.25	80.00	6,500.00
12	820840		Roadside Sign - One Post	EA	13	400.00	5,200.00
13	846007	S	6" Thermoplastic Traffic Stripe (Enhanced Wet Night Visibility)	LF	1,960	2.00	3,920.00
14	846010	S	8" Thermoplastic Traffic Stripe (Enhanced Wet Night Visibility)	LF	131	2.50	327.50
15	846012	S	Thermoplastic Pavement Marking (Enhanced Wet Night Visibility)	SQFT	463	9.50	4,398.50
16	846026		Remove Pavement Marking	SQFT	481	3.00	1,443.00
17	846030		Remove Thermoplastic Traffic Stripe	LF	1,111	1.00	1,111.00
18	860810	S	Inductive Loop Detectors	LS	1	10,000.00	10,000.00

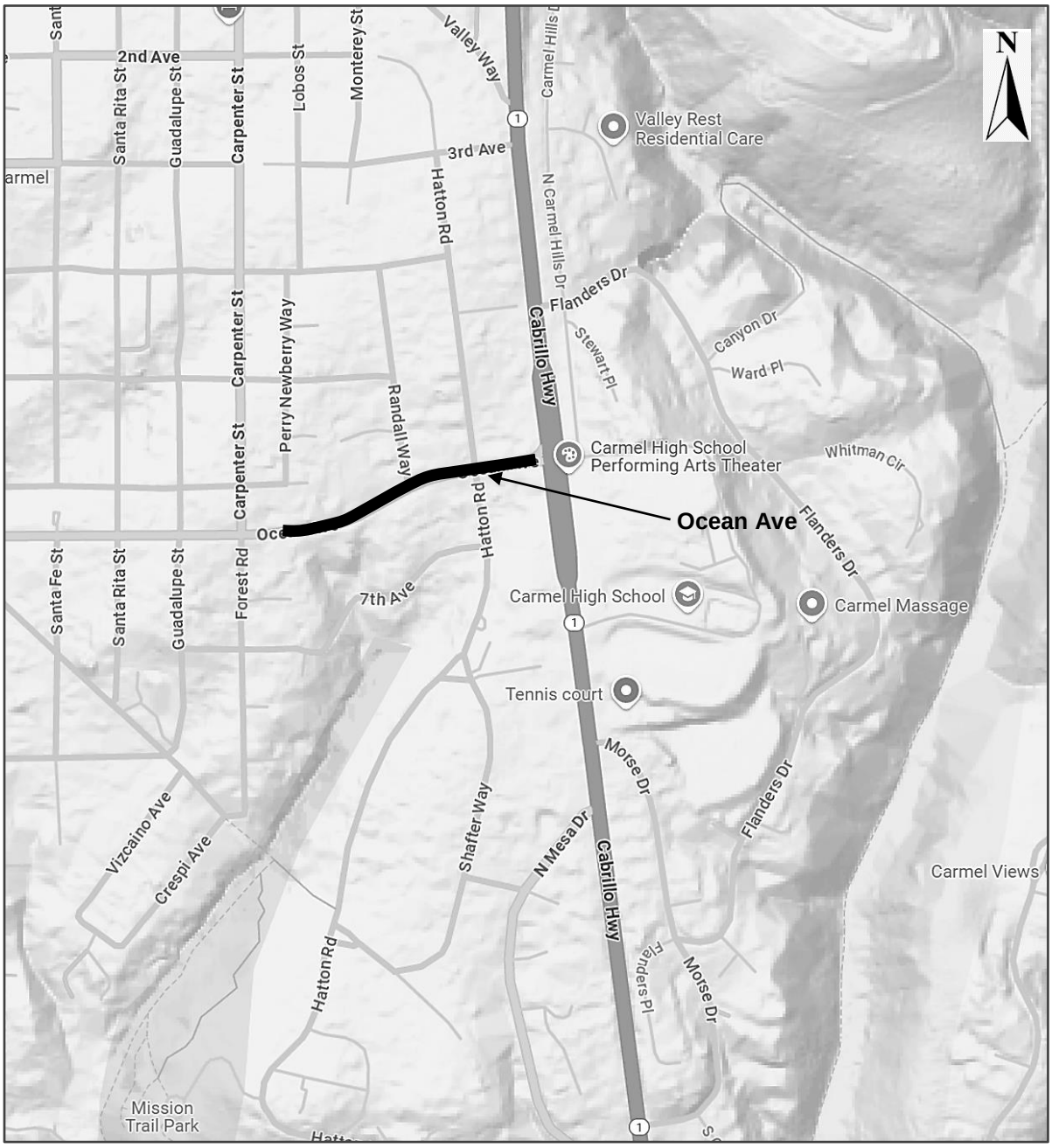
F - Final Pay Item
S- Specialty Item

Subtotal	347,563
10% Contingency	34,756
Total	382,319
SAY	**400,000**

Docusign Envelope ID: A1524457-365E-4FC4-8A33-96031C6FCA84

EXHIBIT B – LOCATION MAP

OCEAN AVE RESURFACING
Carmel-by-the-Sea City Limit to State Route 1



ATTACHMENT B - LOCATION MAP

OCEAN AVE RESURFACING
Carmel-by-the-Sea City Limit to State Route 1

Docusign Envelope ID: 2760C8D9-4F27-48FA-89A1-A82D3A1EB96E

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Emilio Alex Garcia dba Mag One Media Incorporated

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services to be provided are generally described as follows:

Provide video production services on an as-needed basis.

2.0 PAYMENT PROVISIONS:

2.1 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 100,000.00

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from February 21, 2025 **to** February 20, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Exhibits B, C & D Attached

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

Docusign Envelope ID: 2760C8D9-4F27-48FA-89A1-A82D3A1EB96E

5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 The Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

Docusign Envelope ID: 2760C8D9-4F27-48FA-89A1-A82D3A1EB96E

7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

Docusign Envelope ID: 2760C8D9-4F27-48FA-89A1-A82D3A1EB96E

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

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If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:

CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

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Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County,

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to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

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13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Sarah House, Information Technology Manager	Alex Garcia, Chief Executive Officer
Name and Title	Name and Title
1590 Moffett Street Salinas, CA 93905	369 Main Street, Suite 201 Salinas, CA 93901
Address	Address
831- 262-7207	831-905-2137
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

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16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

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18.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: DocuSigned by: Debra Wilson 7B744987AA0B44B...
Contracts/Purchasing Officer

Date: 2/21/2025 | 4:55 AM PST

By:
Department Head (if applicable)

Date:

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: Signed by: Samuel Briderwell 31B2028C241644B...
County Counsel

Date: 2/20/2025 | 11:38 AM PST

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E70EF64E57454F6...
Auditor/Controller

Date: 2/20/2025 | 11:50 AM PST

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By: DocuSigned by: David Bolton 3E7A6EF11DD8446...
David Bolton, Risk Manager

Date: 2/20/2025 | 11:26 AM PST

CONTRACTOR

Mag One Media Incorporated
Contractor/Business Name *

By: DocuSigned by: Alex Garcia 50AAC898F9204C3...
(Signature of Chair, President, or Vice-President)

Alex Garcia, Chief Executive Officer
Name and Title

Date: 2/20/2025 | 11:21 AM PST

By:
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Name and Title

Date:

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

Mag One Media Incorporated
FEB 21,2025 - FEB 20, 2028
NTE: $100,000.00

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EXHIBIT-A

To Agreement by and between
Information Technology Department, hereinafter referred to as "County"
AND
Mag One Media Incorporated, hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Provide video production/broadcasting services on an as-needed basis for public meetings in board chambers & throughout Monterey County for press conferences in addition to video content for the government channel 25.

I. Location of Services

II. Services for broadcasting will be at the following locations: 168 Alisal Street, Salinas CA, 1441 Schilling Place, Salinas, CA or any other County meeting rooms/locations equipped for broadcasting as specified by the COUNTY and in the community for press conferences held in Monterey County such as town hall meetings as requested by the COUNTY.

III. Scope of Services

Production:
Video producer shall produce, shoot, edit and finalize video content on an as-needed basis.

A. CONTRACTOR may produce video production and broadcasting services when on COUNTY property using existing COUNTY equipment.
B. CONTRACTOR shall furnish its own producing technology to produce elements of video, including but not limited to shooting, voicing, lighting, graphics, animation, editing, and music if services are provided in the community outside of the board chambers (COUNTY property).
C. CONTRACTOR shall create training videos for COUNTY departments on request providing an outline of desired production serves and quote before approval.
D. CONTRACTOR shall quantify production requests by COUNTY department and create an outline of desired production services and quote services as needed
E. CONTRACTOR shall work with various COUNTY departments in producing content pertaining to COUNTY business, information, or services.

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F. CONTRACTOR shall create shorts media clips for to be upload to various platforms such as: YouTube, Facebook, Instagram or other designed platforms deemed necessary by COUNTY representative.
G. Videos must be webcast quality and able to be reduced or expanded into size without demising quality, and in a file format for use within an app, website or social media platforms.
H. CONTRACTOR shall furnish its own producing technology to produce elements of video, including but not limited to shooting, voicing, lighting, graphics, animation, editing, and music.
I. CONTRACTOR shall produce podcast, social media, and or aid in preparation to COUNTY representatives as it relates to emergency responses, notification and information, bulletin board announcements on social media outlets.
J. COUNTY shall provide details of the event, including but not limited to the name of the event, length of the event, event location, time of the event, speakers names, anticipated equipment required such as translated audio capture, etc.
K. CONTRACTOR shall provide a secondary 4k recording of live-streaming events in case of connectivity issues for future publishing is needed.
L. CONTRACTOR shall provide Zoom meeting during mobile live-streaming events only as requested by the COUNTY. The Zoom meeting held will be for viewing purposes only.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/ PAYMENT

County shall pay the below for the performance of <u>all things necessary</u> for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms on an as-needed basis:

Photography and Video Production Services	
Description	**COST / As Needed**
Production Services	
2-hour minimum requirement	$500.00
Hourly Rate	$250.00
Post Production Video Editing	
2-hour minimum	$300.00

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Photography Services	
2-hour minimum	$300.00
Hourly Rate	$150.00

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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EXHIBIT-B

To Agreement by and between
Information Technology Department, hereinafter referred to as "COUNTY"
AND
Mag One Media, hereinafter referred to as "CONTRACTOR"

MONTEREY COUNTY GOVERNMENT CHANNEL COPYRIGHT AND OWNERSHIP

Copyright
COUNTY shall own the copyright to all programs produced and meetings recorded by the CONTRACTOR and any material contained therein by and for the COUNTY Government Channel.

Ownership
Any and all materials created, produced and/or acquired locally for the Government Channel shall be and are the property of COUNTY. Any such materials remaining in the hands of CONTRACTOR or subcontractor upon completion or termination of the work shall be delivered immediately to COUNTY. If any materials are lost, damaged or destroyed before final delivery to COUNTY, CONTRACTOR or SUBCONTRACTOR shall replace them at its own expense.

Raw Footage from COUNTY Productions
Raw footage from Government Channel productions shall be preserved by the CONTRACTOR until it can be archived by the COUNTY on a COUNTY-owned separate hard drive for safekeeping.

Distribution Services:
Distribution of any programming, in part or in whole, by an entity other than COUNTY by any other electronic or physical means is subject to prior written approval by COUNTY via the COUNTY Programming Coordinator.

Branding
Any programming funded and produced by CONTRACTOR for the COUNTY must contain the official COUNTY Seal and copyright language as specified by the COUNTY Programming Coordinator.

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EXHIBIT-C

To Agreement by and between
Information Technology Department, hereinafter referred to as "COUNTY"
AND
Mag One Media, hereinafter referred to as "CONTRACTOR"

MONTEREY COUNTY GOVERNMENT CHANNEL EMERGENCY VIDEO PRODUCTION

Emergency Productions

In situations where there is a need for urgent government programming, or if an emergency arises, CONTRACTOR shall be available to provide production services with short notice and agrees to expedite the production process. This emergency work may or may not be needed but is considered part of the scope of work and shall be performed as-needed at the rates set forth in EXHIBIT A without enhancement or increase.

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EXHIBIT-D

To Agreement by and between
Information Technology Department, hereinafter referred to as "COUNTY"
AND
Mag One Media, hereinafter referred to as "CONTRACTOR"

MONTEREY COUNTY GOVERNMENT CHANNEL VIDEO PRODUCTION SERVICES REQUIREMENTS

Program Production

CONTRACTOR will collaborate with the COUNTY representative to track and meet program turnaround time requirements.

Prior to a scheduled shoot date, COUNTY shall submit to CONTRACTOR a Program Request Form which summarizes the program request in writing. The form shall be subject to changes and additions which shall be mutually agreed upon in writing. Changes and additions may be submitted by COUNTY to Contractor within 24 hours prior to shoot date when an emergency such as cancellation necessitates.

CONTRACTOR may act as the field producer during assigned shoots for programs if assigned by the COUNTY Programming Coordinator.

For each half-hour program, a 30 second promo about the completed program shall be provided to COUNTY by the CONTRACTOR.

Production Timeline

CONTRACTOR shall be responsible for delivery, in DVD, digital format or other related formats as needed per the request of County representative, as a 'first draft' video program to the COUNTY Programming Coordinator at a specified and agreed upon time, but generally within 2 weeks of completion of field shooting. On receipt, COUNTY will review the draft program within 7-14 business days and respond with written instructions, additional edits or changes to be made. Such additions, edits or changes shall be completed by the CONTRACTOR within an agreed upon timeframe, but generally within 7 business days. Exceptions to these times can be made by agreement in writing by both parties. No more than 2 edit sessions to a program. Finished program can be hand delivered or mailed. CONTRACTOR is responsible for ensuring a delivery receipt if a finished program is mailed. The delivery address for the draft and finished product (DVD) will be:

Monterey County Administrative Office Attn: Communications Director / Staff
168 W. Alisal Street, 3rd Floor
Salinas, Ca. 93901

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All programming will meet general industry recording standards and shall include the ability to support a broad range of media types including, but not limited to: high-definition, standard, analog, digital recording, real-time transmission, and live streaming video.

Programs created for the government channel paid for using Public, Education and Government (**PEG**) Channel funds shall include a statement acknowledging funding support from COUNTY. Programs paid for from other sources may require similar acknowledgements. Any such requirement for acknowledgment shall be conveyed to CONRACTOR by COUNTY in advance of the program deadline for delivery.

Equipment

Any equipment purchased by COUNTY for the purpose of production, editing, storing and/or duplicating government channel materials which may be utilized by CONTRACTOR shall remain the property of COUNTY and will be tagged appropriately for asset reporting purposes

Copies & Duplication

Copies of the programming shall be provided as request by County representative. Vendor shall have the capability to provide digital or hard copies of all programming that may include, but not limited to: board chambers meeting, Government Channel programming, special meeting, public meetings, short meeting clips or segments of a meeting

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/12/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: CLC	
Leavitt Central Coast Insurance Services, Inc. License #0G39781 950 East Blanco Rd, Suite 103 Salinas CA 93901	PHONE (A/C, No, Ext): (831) 417-0343	FAX (A/C, No): (866) 688-5709
	E-MAIL ADDRESS: clclccis@leavitt.com	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Sentinel Insurance Company	11000
INSURER B : Hartford Casualty Insurance Company	29424
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Mag One Media, Inc
369 Main Street, Ste 201
Salinas CA 93901

COVERAGES **CERTIFICATE NUMBER:** 24-25 Master **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	Y		57SBABN7023	07/12/2023	07/12/2024	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: Y If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		57WECAA1WJK	03/31/2024	03/31/2025	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

County of Monterey, its officers, agents and employees are named additional insured with respect to General Liability on a Primary Non-Contributory basis including Waiver of Subrogation per form SS00080405

CERTIFICATE HOLDER

County of Monterey
Information Technology Dept
1590 Moffett Street
Salinas CA 93905

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Patricia J. Gilchrist

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BUSINESS LIABILITY COVERAGE FORM

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QUICK REFERENCE
BUSINESS LIABILITY COVERAGE FORM
READ YOUR POLICY CAREFULLY

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **C**. - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. - Liability And Medical Expenses Definitions.

A. COVERAGES

1. BUSINESS LIABILITY COVERAGE (BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY)

Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **D.** - Liability And Medical Expenses Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(b) The "bodily injury" or "property damage" occurs during the policy period; and

(c) Prior to the policy period, no insured listed under Paragraph **1.** of Section **C.** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **C.** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

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(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

(1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

(a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and

(b) You are not engaged in the business or occupation of providing such services.

(2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. MEDICAL EXPENSES

Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

3. COVERAGE EXTENSION - SUPPLEMENTARY PAYMENTS

a. We will pay, with respect to any claim or "suit" we investigate or settle, or any "suit" against an insured we defend:

(1) All expenses we incur.

(2) Up to $1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

(3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.

(5) All costs taxed against the insured in the "suit".

(6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under **(1)** through **(7)** above will not reduce the limits of insurance.

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b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

(1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the insured;

(3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

(5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(6) The indemnitee:

(a) Agrees in writing to:

(i) Cooperate with us in the investigation, settlement or defense of the "suit";

(ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(iii) Notify any other insurer whose coverage is available to the indemnitee; and

(iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(b) Provides us with written authorization to:

(i) Obtain records and other information related to the "suit"; and

(ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** – Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **(6)** above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

(1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or

(2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. Contractual Liability

(1) "Bodily injury" or "property damage"; or

(2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

(a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract", and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business, or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

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(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

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g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

(5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

(1) Legal, accounting or advertising services;

(2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;

(3) Supervisory, inspection, architectural or engineering activities;

(4) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;

(5) Any health or therapeutic service treatment, advice or instruction;

(6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

(7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

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(8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting,demonstration or distribution of ophthalmic lenses and similar products;

(9) Any:

(a) Body piercing (not including ear piercing);

(b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and

(c) Similar services;

(10) Services in the practice of pharmacy; and

(11) Computer consulting, design or programming services, including web site design.

Paragraphs **(4)** and **(5)** of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph **1.e.** in Section **A.** - Coverages.

k. Damage To Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Section **D.** - Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

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o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

(1) Arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity;

(2) Arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of a criminal act committed by or at the direction of the insured;

(4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";

(5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(6) Arising out of the wrong description of the price of goods, products or services;

(7) Arising out of any violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, service mark or other designation of origin or authenticity.

However, this exclusion does not apply to infringement, in your "advertisement", of

(a) Copyright;

(b) Slogan, unless the slogan is also a trademark, trade name, service mark or other designation of origin or authenticity; or

(c) Title of any literary or artistic work;

(8) Arising out of an offense committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** under the definition of "personal and advertising injury" in Section **G.** – Liability And Medical Expenses Definitions.

For the purposes of this exclusion, placing an "advertisement" for or linking to others on your web site, by itself, is not considered the business of advertising, broadcasting, publishing or telecasting;

(9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;

(11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

(12) Arising out of:

(a) An "advertisement" for others on your web site;

(b) Placing a link to a web site of others on your web site;

(c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or

(d) Computer code, software or programming used to enable:

(i) Your web site; or

(ii) The presentation or functionality of an "advertisement" or other content on your web site;

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(13) Arising out of a violation of any anti-trust law;

(14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities; or

(15) Arising out of discrimination or humiliation committed by or at the direction of any "executive officer", director, stockholder, partner or member of the insured.

q. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to the person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Violation Of Statutes That Govern E-Mails, Fax, Phone Calls Or Other Methods Of Sending Material Or Information

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section **D.** - Liability And Medical Expenses Limits Of Insurance.

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2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured
To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

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(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

(1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a.** through **f.** below are additional insureds when you have agreed, in a written

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section **F.** – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

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(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

(1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or

(b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

(1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In connection with your premises; or

(b) In the performance of your ongoing operations performed by you or on your behalf.

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

(1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or

(b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

(1) Any other person or organization who is not an insured under Paragraphs **a.** through **e**. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In the performance of your ongoing operations;

(b) In connection with your premises owned by or rented to you; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if

(i) The written contract or written agreement requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section **D.** – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E.** – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.

b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or

b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

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If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph **3.** above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

(1) You or any additional insured that is an individual;

(2) Any partner, if you or an additional insured is a partnership;

(3) Any manager, if you or an additional insured is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;

(5) Any trustee, if you or an additional insured is a trust; or

(6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

This Paragraph **f.** applies separately to you and any additional insured.

3. Financial Responsibility Laws

a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.

b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom a claim is made or "suit" is brought.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **A.** – Coverages.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **A.** – Coverages.

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(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph **6.** (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section **C.**, Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

a. In the performance of your ongoing operations; or

b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

(1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

(1) Any "occurrence" that takes place after you cease to lease that land; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision – Permits

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

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Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or

(2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. The insurance afforded to the vendor is subject to the following additional exclusions:

(1) This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

a. Their financial control of you; or

b. Premises they own, maintain or control while you lease or occupy these premises.

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This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations for the additional insured(s); or

(2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal an advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section **D.** – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E.** – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

a. (1) Radio;

(2) Television;

(3) Billboard;

(4) Magazine;

(5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or

b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

a. Injury;

b. Sickness; or

c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

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a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in **a.** above;

(2) The activities of a person whose home is in the territory described in **a**. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

7. "Electronic data" means information, facts or programs:

a. Stored as or on;

b. Created or used on; or

c. Transmitted to or from

computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** – Liability and Medical Expenses Limits of Insurance.

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

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(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

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c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written or electronic publication of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or

h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.

18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard";

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

20. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.

As used in this definition, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Volunteer worker" means a person who:

a. Is not your "employee";

b. Donates his or her work;

c. Acts at the direction of and within the scope of duties determined by you; and

d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

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RESOLUTION NO. 23302 (N.C.S.)

A RESOLUTION ACCEPTING THE 2024 JUSTICE ASSISTANCE GRANT AND THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING RELATED TO THIS FUNDING

WHEREAS, the United States Department of Justice, Bureau of Justice Assistance (BJA) has established the annual Edward Byrne Memorial Justice Grant (JAG) Program to assist local governments in their efforts to prevent and to control crime and to improve the criminal justice system; and

WHEREAS, the BJA has determined that the City of Salinas and other local jurisdictions are jointly eligible to apply for and to receive funding through the annual JAG Program, which will allow the City and those other jurisdictions to support a broad range of activities to prevent and to control crime based on their own local needs and conditions; and

WHEREAS, the total grant allocation is $74,970, with the City of Salinas portion of $55,842 and the County of Monterey portion, as a disparate agency, of $19,128; and

WHEREAS, the City and the County of Monterey are obligated to enter into a Memorandum of Understanding in order to maintain their eligibility to apply for and to receive JAG Program funds.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the City Manager and the Chief of Police, or their designees, to accept funding in the amount of $74,970, including the execution of all documents necessary to effectuate the grant; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the establishment of the 2024 JAG expense appropriation and corresponding revenue budget of up to $74,970 to support grant activities; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the City Manager to enter into a Memorandum of Understanding between the City of Salinas and the County of Monterey for the 2024 Edward Byrne Memorial Justice Assistance Grant.

PASSED AND APPROVED this 1st day of July 2025 by the following vote:

AYES: Councilmembers Barajas, Barrera, D'Arrigo, De La Rosa, Salazar, Sandoval and Mayor Donohue

NOES: None

ABSENT: None

ABSTAIN: None

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APPROVED:

Signed by:
Dennis Donohue
580C799697274E5...

Dennis Donohue, Mayor

ATTEST:

DocuSigned by:
Patricia Barajas
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Patricia M. Barajas, City Clerk

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MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF SALINAS AND COUNTY OF MONTEREY

2024 LOCAL SOLICITATION:
EDWARD BYRNE MEMORIAL
JUSTICE ASSISTANCE GRANT (JAG) PROGRAM

RECITALS

This Agreement is made and entered into this July 1, 2025, by and amongst the **City of Salinas** and the **County of Monterey**, in support of the parties' FY 2024 Local Solicitation award for an Edward Byrne Memorial Justice Assistance Grant (JAG) from the Bureau of Justice Assistance (BJA), U.S. Department of Justice.

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party; and

WHEREAS, each governing body finds that the performance of the Agreement is in the best interest of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement; and

WHEREAS, the City of Salinas and County of Monterey are to receive a disparate allocation of JAG funds in the total amount of $74,970; and

WHEREAS, the City of Salinas and County of Monterey have submitted a joint application for the aggregate of funds to be allocated to them, specifying the amount of the funds that are to be distributed to each of them, and the purposes for which the funds will be used;

NOW, THEREFORE, the City of Salinas and County of Monterey agree as follows:

TERMS

1. Application for JAG Funds. The City of Salinas and County of Monterey are certified by BJA as disparate and submitted a joint application on October 16, 2024, for the aggregate of funds to be allocated to them, specifying the amount of the funds that are to be distributed to each of them, and the purposes for which the funds will be used.

2. Federal Award and Subrecipient Information. The City of Salinas has approved for the Federal award as indicated below.

- Federal Award Identification: 2024 BJA FY 24 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Solicitation
- Subrecipient Name: County of Monterey
- Subrecipient's DUNS/UEI Number: JKHSNNJ5H3Y5
- Federal Award Identification Number (FAIN): 15PBJA-24-GG-05174-JAGX
- Federal Award Date: 12/05/2024

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- Subaward Period of Performance Start and End Date: 10/01/2023 – 09/30/2027
- Amount of Federal Funds Obligated in this agreement: $74,970
- Total Amount of Federal Funds Obligated to Subrecipient: $19,128
- Total Amount of the Federal Award: $74,970
- Federal Award Project Description:
  The Edward Byrne Memorial Justice Assistance Grant (JAG) Program allows states and units of local government, including tribes, to support a broad range of activities to prevent and control crime based on their own state and local needs and conditions. Grant funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, including for any one or more of the following program areas: 1) law enforcement programs; 2) prosecution and court programs; 3) prevention and education programs; 4) corrections and community corrections programs; 5) drug treatment and enforcement programs; 6) planning, evaluation, and technology improvement programs; and 7) crime victim and witness programs (other than compensation) and 8) mental health programs and related law enforcement and corrections programs, including behavioral programs and crisis intervention teams.

  This JAG award will be used to support criminal justice initiatives that fall under one or more of the allowable program areas above. Funded programs or initiatives may include multijurisdictional drug and gang task forces, crime prevention and domestic violence programs, courts, corrections, treatment, justice information sharing initiatives, or other programs aimed at reducing crime and/or enhancing public/officer safety.

2. Allocation of JAG Funds. The City of Salinas and County of Monterey agree to apportion the total Local Solicitation JAG award of **$74,970**, in the following amounts:

City of Salinas, Salinas Police Department	$ 55,842
County of Monterey, Sheriff's Department	$ 19,128

3. Fiscal Agent for Receipt and Distribution of JAG Funds. The City of Salinas shall be the Fiscal Agent for the receipt of JAG funds, and as Fiscal Agent, shall be responsible for the oversight of the administration and distribution of the JAG funds.

4. Authorized Uses and Grant Requirements of JAG Funds. The City of Salinas and County of Monterey agree to develop individualized spending plans as to each party's respective grant allocation. The City of Salinas plans to use JAG funds to purchase License Plate Readers (LPRs) to enhance capabilities to investigate and solve a variety of crimes. Monterey County plans to use JAG funds to purchase new laptops and associated accessories for the Sheriff's Department Patrol Field Training Officers, as well as screen protectors for the CF33 tablets installed in Patrol vehicles. Spending plan modifications are allowable if approved by the Office of Justice Programs. All parties to this Agreement, whether the actual grantee (the City of Salinas) or a subgrantee (the County of Monterey) shall comply with all requirements set forth in the 2024 Local Solicitation: Edward Byrne Memorial Justice Assistance Grant (JAG) Program and mandatory award terms and conditions set for by the Office of Justice Programs.

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5. Reporting Requirements of JAG Funds. Each party agrees to meet the reporting requirements of the JAG grant program, which requires detailed reporting, including reporting on subawards, not later than thirty calendar days after the end of each calendar quarter. In order for the Fiscal Agent to comply with the reporting requirements of the JAG program, all parties shall provide a quarterly report to the Fiscal Agent no later than twenty calendar days after the end of each calendar quarter.

6. Establishment of Trust Fund(s). As Fiscal Agent for the receipt and distribution of JAG funds, the City of Salinas shall establish a trust fund in which to deposit the JAG funds. At the City of Salinas' discretion, the trust fund may or may not be an interest bearing account. The County of Monterey shall also establish a trust fund in which to deposit funds if they elect to receive JAG funds in advance.

7. Term of Agreement. This Agreement shall commence on October 1, 2023 and shall remain in full force and effect through the full appropriation of 2024 JAG funds.

8. Administrative Costs. The City of Salinas agrees to manage the Local Solicitation JAG funds, including submitting quarterly financial and progress reports as required by BJA, at no cost to the grant.

9. Limits on Liability. Nothing in the performance of this Agreement shall impose any liability for claims against the City of Salinas and County of Monterey other than claims for which liability may be imposed by the California Torts Claims Act; further, each party to this Agreement shall be responsible for its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

10. Third Party Rights under Agreement. The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

11. Rights and Obligations under Agreement. By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

12. Termination. Unless otherwise terminated as provided in this Agreement, this Agreement will continue in effect through the full period of appropriation of 2024 Local Solicitation JAG funds.

13. Notices. Unless otherwise provided in this Agreement, any notice, request, consent, instruction, or other document to be given under this Agreement by the City of Salinas or County of Monterey to each other shall be in writing and shall be effective on the date received, as follows:

City of Salinas:
René Mendez, City Manager
City of Salinas
200 Lincoln Avenue
Salinas, CA 93901

County of Monterey:
Sonia M. De La Rosa, County Administrative Officer
County of Monterey
168 W. Alisal St., 3rd floor
Salinas, CA 93901

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14. Entire Agreement. This Agreement constitutes the entire agreement between the City of Salinas and County of Monterey relating to the 2024 Local Solicitation JAG funds and as the final expression of the parties with respect to the included terms and conditions, and as a complete and exclusive statement of the terms and conditions of the agreement. The City of Salinas and County of Monterey acknowledge that any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force unless it is in writing and signed by the City of Salinas and County of Monterey.

15. Modifications. No amendments to or changes to this Agreement may be made, except by a writing expressly authorized and signed by the City of Salinas and County of Monterey.

16. Severability. It is the intent of the parties that in the event that any provision herein is held to be invalid, the remaining provisions shall continue in full force and effect unless enforcement of this Agreement so modified would frustrate the purposes of this Agreement.

17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the City of Salinas and County of Monterey have executed this Agreement on the date first written above.

City of Salinas

_____
René Mendez, City Manager

APPROVED AS TO FORM:

_____
Christopher A. Callihan, City Attorney

ATTEST:

_____
Patricia Barajas, City Clerk

County of Monterey

_____
Sonia M. De La Rosa
County Administrative Officer

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APPROVED AS TO FORM:

Signed by:
Kelly L. Donlon
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Kelly L. Donlon
Chief Assistant County Counsel

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **FRONT ST., INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Twenty-four (24)-hour residential care and supervision facility for up to forty-nine (49) older adults, ages sixty (60) and over, with a serious and persistent mental illness.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: BUDGET AND EXPENDITURE REPORT
EXHIBIT I: AUDITS AND AUDIT APPEALS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

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B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement

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coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

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5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. ICD-10

1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

VIII. PROGRAM INTEGRITY

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A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

   a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

   b. A history of loss of license or felony convictions;

   c. A history of loss or limitation of privileges or disciplinary activity;

   d. A lack of present illegal drug use; and

   e. The application's accuracy and completeness

5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.

6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.

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7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.

C. SCREENING AND ENROLLMENT REQUIREMENTS

1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))

2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))

3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

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A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

   b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

XI. PATIENT RIGHTS

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A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).

D. Continuity of Care

CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

E. Network Adequacy

1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).

2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.

3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.

4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

F. Practice Guidelines

1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

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a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

b. They consider the needs of the clients;

c. They are adopted in consultation with contracting health care professionals; and

d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

a. Complete written description of event including outcome;

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b. Written report of CONTRACTOR's investigation and conclusions;

c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

J. Client Informing Materials

1. Basic Information Requirements

a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.

b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.

d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3))

e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:

i. The format is readily accessible;

ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

iii. The information is provided in an electronic form which can be electronically retained and printed;

iv. The information is consistent with the content and language requirements of this agreement;

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v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

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v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with

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disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

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A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for

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services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

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Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XVI. BUDGET

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CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies,

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Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;

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2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

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I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of

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employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

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D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or

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delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY	**CONTRACTOR**
Melanie Rhodes Behavioral Health Bureau Chief 1270 Natividad Road Salinas, CA 93906 (831) 755-4580	JP Butler Vice President Front St., Inc. 2115 7th Avenue Santa Cruz, CA 95062 (831) 420-0120

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/18/2025 | 2:43 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/19/2025 | 9:41 AM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

FRONT ST., INC.
CONTRACTOR NAME
Contractor's Business Name *

By: Signed by: Jonathan P Butler 42D499D0EF194F4...
(Signature of Chair, President, or Vice-President) *

JP Butler, Vice-President
Name and Title

Date: 7/2/2025 | 8:00 AM PDT

By: Signed by: Amy McCabe F4452C5E3DD8478...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Amy McCabe, CFO
Name and Title

Date: 7/16/2025 | 4:29 PM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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C. Assessment

1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.

2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.

3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.

4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

D. Problem List

1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.

3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.

4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.

5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

E. Treatment and Care Plans

1. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

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F. Progress Notes

1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.

4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.

5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

G. Transition of Care Tool

1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.

2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.

3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at: https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided form. The only exception to this requirement is when the tool is translated into languages other than English.

H. Telehealth

1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

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https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

X. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Provisional Rates and Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

B. NEGOTIATED RATE: PROVIDER ROLE-BASED MHS SERVICES

CONTRACTOR shall be reimbursed the following negotiated rates for services. Rendering Staff Type shall provide services according to the Monterey County Behavioral Health Specialty Mental Health Services Documentation Manual, Scope of Practice.

CONTRACTOR may exceed units by clinician within a program or total contract as long as the annual program not-to-exceed (NTE) or annual maximum County obligation is not exceeded.

The following program services will be paid for actual client usage in arrears, not to exceed the negotiated rates on a monthly basis for a total amount not to exceed **$736,411** for **FY 2025-26** *(amounts are rounded to the nearest dollar)*:

Rendering Staff Type	Mode of Service	Service Function Code	FY 2025-26 Rate per UOS (minutes)	Total UOS	Line Item Total
LVN	15	01,10,30, 40,45, 50, 60, 70	$4.93	0	$0
MFT / LPCC or LCSW (Licensed, Waivered, or Registered)			$5.82	6,000	$34,917
Mental Health Rehab Specialist; Psychology Intern; Other Qualified Provider			$4.38	160,250	$701,494
Total Services Billed to Medi-Cal FY 2025-26:					**$736,411**

B. NEGOTIATED RATE: BOARD AND CARE

The following Board and Care services will be paid for actual client usage in arrears, not to exceed the listed daily bed rates, on a monthly basis for a total amount not to exceed **$953,223** for **FY 2025-26** *(amounts are rounded to the nearest dollar)*:

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Fiscal Year	CMA Rate	Estimated UOS	Maximum Yearly Estimated Cost
July 1, 2025 - June 30, 2026	$100.45	9,490	$953,223
BOARD & CARE MAXIMUM AMOUNT:			**$953,223**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Allowances (CMA), which is based on the most recent State's Schedule of Maximum Allowances (SMA) as established by the State's Department of Mental Health. The SMA Schedule shall be used until COUNTY establishes the COUNTY'S rate Schedule of Maximum Allowances. CONTRACTOR shall be responsible for costs that exceed applicable CMAs. In no case shall payments to CONTRACTOR exceed CMAs. In addition to the CMA limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of the County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

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C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

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I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$1,689,634** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2025 to June 30, 2026	$1,689,634
TOTAL MAXIMUM LIABILITY:	**$1,689,634**

C. Estimated Contract Funding Sources for Fiscal Year (FY) 2025-26:

Fiscal Year	MHSA/CSS	FFP/Medi-Cal	Total Funding per Fiscal Year
July 1, 2025 - June 30, 2026	$1,321,429	$368,206	$1,689,634
		TOTAL:	**$1,689,634**

The County retains the right to adjust the funding sources as may be required.

D. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

E. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

F. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

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A. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal and Healthy Families claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

B. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

C. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

D. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

E. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

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B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries and to Healthy Families subscribers diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services and/or Healthy Families services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services and/or Healthy Families services are submitted by CONTRACTOR to COUNTY.

   CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in under taking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

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C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal, and/or Healthy Families claims or other State required claims data within the thirty (30) calendar day time frame(s) as prescribed by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services, and/or Healthy Families services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services and/or Healthy Families services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services/activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services/ activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may offset future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section IV (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

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K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Mental Health guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated program revenue, under this Agreement, for a maximum period of one Fiscal Year, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement. CONTRACTOR shall report the expenditures for the mental health services/activities funded by this unanticipated revenue in the Annual Report(s) and Cost Report Settlement submitted by CONTRACTOR to COUNTY.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) and Cost Report Settlement all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

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1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) and Cost Report Settlement showing all such non-reported revenue.

2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).

3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

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I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY'S authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

Signed by:
Jonathan P Butler
42D499D0EF194F4...
Signature of Authorized Representative

7/2/2025 | 8:00 AM PDT
Date

Front St., Inc.
Business Name of Contractor

JP Butler
Name of Authorized Representative (printed)

Vice-President
Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	**Front St., Inc.**		
Name of Contractor's Designee	**JP Butler**		
Title of Designee	**Vice-President**		
Street 2115 7th Avenue			
City Santa Cruz	State CA	Zip 95062	
IRS Employer Identification Number	77-0237275		

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by:
Jonathan P Butler
42D400D0EF194F4...

Signature of Contractor

Date 7/2/2025 | 8:00 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.

- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.

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- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Triqui and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Triqui, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and

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preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Signed by:
Jonathan P Butler
42D499D0EF194F4...
Signature of Authorized Representative

7/2/2025 | 8:00 AM PDT
Date

Front St., Inc.
Contractor (Organization Name)

JP Butler
Name of Authorized Representative (*printed*)

Vice-President
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and FRONT ST., INC. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

FRONT ST., INC.
Attn: JP Butler, Vice President
2115 7th Avenue
Santa Cruz, CA 95062
Phone: (831) 420-0120
Fax: (831) 420-0136
Email: jbutler@frontst.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Jonathan P Butler 42D499D0EF194E4...	By:
Print Name JP Butler	Print Name: Elsa M. Jimenez
Print Title Vice-President	Print Title: Director of Health Services
Date: 7/2/2025 | 8:00 AM PDT	Date:

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Cost Reimbursement Invoice Form
COUNTY OF MONTEREY, Behavioral Health Bureau

Contractor :	Front St., Inc.
Address Line 1	2115 7th Avenue
Address Line 2	Santa Cruz, CA 95062
Tel. No.:	831-420-0120
Fax No.:	
Contract Term:	FY 2025-26

Invoice Number :

County PO No.:

Invoice Period :

Final Invoice : (Check if Yes)

FUNDED PROGRAM:

AVATAR Program, Mode and Service Function Code

Financial Eligibility (Admision Criteria)

Unduplicated Number of Clients Served:

Identify Program

50%

Service Description	Mode of Service	SFC	Procedure Code	Units of Service (UOS) Delivered to Date	Total UOS Delivered as of Last Period	UOS Delivered this Period	SMA Rate per Unit	Amount of UOS at SMA Rate or Cash Flow Advance (CFA)	Dollar Amount Requested this Period (lower of Net Cost or SMA/CFA)	Total Dollar Amount Requested last Period	Dollar Amount Requested Year-to-Date	Estimated FFP	AVATAR System	Variance
											$ -	$ -		$ -
										$ -	$ -	$ -		$ -
											$ -			
TOTALS								$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL FUNDED PROGRAM MAXIMUM LIABILITY											$ -			
REMAINING AMOUNT											$ -			

Description	Provisional Rates	Cash Flow Advances	Total BUDGET	Total Dollar Amount Requested last Period	Gross Expenses this Period	Dollar Amount Requested Year-to-Date	Remaining Amout in the Budget
TOTAL ALLOWABLE PROGRAM EXPENDITURES	$ -			$ -		$ -	$ -
Less Other Revenues	$ -	$ -		$ -	$ -	$ -	$ -
Net Cost	$ -		$ -	$ -	$ -	$ -	$ -
Net Cost Due from Monterey County			$ -	$ -	$ -	$ -	$ -
Amount of UOS at SMA Rate					$ -		
Due from Monterey County - lower of Net Cost or SMA/CFA					$ -		
Federal Financial Participation (FFP) Revenue	$ -			$ -		$ -	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

Authorized Signatory _____ Date _____

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EXHIBIT H

Vendor Name

BUDGET AND EXPENDITURE REPORT

For Monterey County - Behavioral Health

PROGRAM:

	Actual FY 2022-23	Estimated FY 2023-24	Requested FY 2024-25
A. PROGRAM REVENUES			
Requested Monterey County Funds			
Other Program Revenues			
TOTAL PROGRAM REVENUES (equals Allowable Program Expenditures)	-	-	--

B. ALLOWABLE PROGRAM EXPENDITURES - Allowable Expenditures for the services provided in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories listed below.

1	**Program Expenditures**			
2	Salaries and wages			
3	Payroll taxes			
4	Employee benefits			
5	Workers Compensation			
6	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			
7	Temporary Staffing			
8	Flexible Client Spending (please provide supporting documents)			--
9	Client Transportation Costs and staff mileage			
10	Employee Travel and Conference			--
11	Staff Training			--
12	Communication Costs			--
13	Utilities			--
14	Cleaning and Janitorial			--
15	Insurance and Indemnity			--
16	Maintenance and Repairs - Buildings			--
17	Maintenance and Repairs - Equipment			--
18	Printing and Publications			--
19	Memberships, Subscriptions and Dues			--
20	Office Supplies			--
21	Postage and Mailing			--
22	Legal Services (when required for the administration of the County Programs)			--
23	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			--

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		Actual FY 2022-23	Estimated FY 2023-24	Requested FY 2024-25
24	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County)			--
25	Rent and Leases - building and improvements			--
26	Rent and Leases - equipment			--
27	Taxes and assessments			--
28	Interest in Bonds			--
29	Interest in Other Long-term debts			--
30	Other interest and finance charges			--
31	Advertising (for recruitment of program personnel, procurement of services and disposal of surplus assets)			--
32	Miscellaneous (please provide details)			--
33	**Total Program Expenditures**	$-	$-	**$-**
34	Administrative Expenditures - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided. The allocation base must be auditable and supported by information kept by the CONTRACTOR.			
35	Salaries and wages (please include personnel and contract administration)			--
36	Payroll taxes			--
37	Employee benefits			--
38	Workers Compensation			--
39	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			--
40	Transportation, Travel, Training and Conferences			--
41	Data Processing (Computers & Technology)			--
42	Utilities (Telephone & Communications)			--
43	Cleaning and Janitorial			--
44	Insurance and Indemnity			--
45	Maintenance and Repairs - Buildings			--
46	Maintenance and Repairs - Equipment			--
47	Memberships, Subscriptions and Dues			--
48	Office Supplies			--
49	Postage and Mailing			--
50	Legal Services (when required for the administration of the County Programs)			--
51	Other Professional and Specialized Services (allowable with prior specific approval from Monterey County)			--
52	Rent and Leases - building and improvements			--
53	Rent and Leases - equipment			--
54	Taxes and assessments			--
55	Interest in Bonds			--
56	Interest in Other Long-term debts			--
57	Other interest and finance charges			--

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		Actual FY 2022-23	Estimated FY 2023-24	Requested FY 2024-25
58	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			--
59	Miscellaneous (please provide details)			--
60	**Total Administrative Expenditures**	-	-	--
61	**Depreciation Expense**			--
62	**OTHERS - must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.**			
63	**Total Allowable Program Expenditures**	-	-	--

We hereby certify to the best of my knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature **Date** **Finance Director's Signature** **Date**

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I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

   1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

   2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

   3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section IV (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

   1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Not withstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section IV (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

   2. Deducted from future claims over a period not to exceed six (6) months;

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3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

(The remainder of this page is left intentionally blank)

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **OCD ANXIETY CENTERS CALIFORNIA LLC** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

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"DHCS" means the California Department of Health Care Services.

II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **CONTRACTOR will provide virtual Intensive Outpatient Program treatment for individuals who suffer from obsessive-compulsive disorder (OCD), anxiety and related diagnoses as authorized by the County of Monterey Department of Health, Behavioral Health Bureau.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: AUDITS AND AUDIT APPEALS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. ~~For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.~~ For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

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A. Term. This Agreement shall be effective **January 13, 2025** and shall remain in effect until **March 17, 2025**.

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

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12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in

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accordance with Exhibit E to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E https://www.govinfo.gov/app/details/CFR-2012-title2-vol1/CFR-2012-title2-vol1-part230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

~~VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS~~

~~A. ICD-10~~

~~1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.~~

~~2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.~~

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3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

VIII. PROGRAM INTEGRITY

A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

   a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

   b. A history of loss of license or felony convictions;

   c. A history of loss or limitation of privileges or disciplinary activity;

   d. A lack of present illegal drug use; and

   e. The application's accuracy and completeness

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5. ~~CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.~~
6. ~~CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.~~

7. ~~CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.~~

~~C. SCREENING AND ENROLLMENT REQUIREMENTS~~

1. ~~COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))~~

2. ~~COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))~~

3. ~~CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).~~

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service

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Information System ("CSI"). Units of time reporting are subject to special review and audit.

D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify

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the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

XI. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

~~C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).~~

~~D. Continuity of Care~~

~~CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1) (2).)~~

~~E. Network Adequacy~~

~~1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).~~

~~2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.~~

~~3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.~~

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4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

F. Practice Guidelines

1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

   a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

   b. They consider the needs of the clients;

   c. They are adopted in consultation with contracting health care professionals; and

   d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

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1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   a. Complete written description of event including outcome;

   b. Written report of CONTRACTOR's investigation and conclusions;

   c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

~~J. Client Informing Materials~~

~~1. Basic Information Requirements~~

~~a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.~~

~~b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)~~

~~c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.~~

~~d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3))~~

~~e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:~~

~~i. The format is readily accessible;~~

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ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

iii. The information is provided in an electronic form which can be electronically retained and printed;

iv. The information is consistent with the content and language requirements of this agreement;

v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

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a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

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ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of

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the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

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XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence if maximum estimated reimbursement obligation by COUNTY to CONTRACTOR under this Agreement is over $100,000 or of not less than $500,000 per occurrence if maximum estimated reimbursement obligation by COUNTY to CONTRACTOR under this Agreement is $100,000 and less.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability

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for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold

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payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

~~**XVI. BUDGET**~~

~~CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.~~

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

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E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients

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of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

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H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

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1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement.

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Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the

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terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes, LMFT, LPCC, CCISM
Interim Behavioral Health Bureau Chief/
Behavioral Health Director
County of Monterey, Health Department
1270 Natividad Road
Salinas, CA 93906
(831) 755-4510

CONTRACTOR

Katie Barrett
Payor Relations
OCD Anxiety Centers California LLC
1459 N Main Street, Suite 100
Bountiful, UT, 84010
(385)442-6922

(The remainder of this page is left intentionally blank)

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/15/2025 | 1:59 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/18/2025 | 12:55 PM PDT

Approved as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

OCD ANXIETY CENTERS CALIFORNIA LLC
Contractor's Business Name *

By: Signed by: Mark Hobbins C73303DD9061484...
(Signature of Chair, President, or Vice-President) *

Mark Hobbins, President
Name and Title

Date: 8/13/2025 | 10:00 AM PDT

By: Signed by: Ryan Eggleston 222651FE9A2B442...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Ryan Eggleston, CFO
Name and Title

Date: 8/14/2025 | 11:15 AM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made to Insurance or Indemnification provisions

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

OCD Anxiety Centers California LLC
1459 N Main Street, Suite 100
Bountiful, UT, 84010

Site Location: 2045 Compton Avenue Suite 101, Corona, CA, 92881

II. PROGRAM GOALS AND OBJECTIVES

VIRTUAL INTENSIVE OUTPATIENT PROGRAM

A. DESCRIPTION:

1. The Virtual Intensive Outpatient Program specializes in Exposure Response Prevention, Cognitive Behavioral Therapy (CBT) and Dialectical Behavior Therapy (DBT) skills, weekly Family Exposure Groups, weekly DBT parent skills group, and individual, family, and group therapy sessions via telehealth. The program is 5 days per week, Monday to Friday, for 3 hours per day. Contractor shall provide individualized mental health intensive outpatient program treatment via telehealth and administer weekly outcome measures to track client's progress/regression.
2. All services shall be consistent with the initial and updated treatment plans. The client's progress in treatment will be re-evaluated prior to requesting additional services.

B. POPULATION/CATCHMENT AREA TO BE SERVED

County of Monterey adult beneficiaries as authorized by the County of Monterey Department of Health, Behavioral Health Bureau.

C. CLINICAL RECORDS

CONTRACTOR shall prepare a clinical record for each individual client in compliance with all State and Federal requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes. CONTRACTOR shall cooperate with the transfer of records as may be required.

D. DESIGNATED CONTRACT MONITOR

Jackie Townsend, MS LMFT
Behavioral Health Services Manager II
Access to Treatment Salinas and CalWORKs
Monterey County Health Department

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1441 Constitution Blvd. Bldg. 400 Ste. 200
Salinas, CA 93906

III. SERVICE PROVISIONS

A. Certification of Eligibility

CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS.

B. Access to Specialty Mental Health Services

1. In collaboration with the COUNTY, Contractor will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (a) or (b) below. If a client under age 21 meets the criteria as described in (a) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (b) below.

   a. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

   b. The client has at least one of the following:

      a. A significant impairment,

      b. A reasonable probability of significant deterioration in an important area of life functioning,

      c. A reasonable probability of not progressing developmentally as appropriate, or

      d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

   e. The client's condition listed above is due to one of the following:

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a. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

b. A suspected mental health disorder that has not yet been diagnosed.

c. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (a) and (b) below:

a. The client has one or both of the following:

i. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

ii. A reasonable probability of significant deterioration in an important area of life functioning.

b. The client's condition as described in paragraph (a) is due to either of the following:

i. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

ii. A suspected mental disorder that has not yet been diagnosed.

C. Additional Clarifications

1. Criteria

a. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:

i. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
ii. The service was not included in an individual treatment plan; or

iii. The client had a co-occurring substance use disorder.

2. Diagnosis Not a Prerequisite

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a. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

C. Medical Necessity

1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.

2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

D. Coordination or Care

1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.

2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.

3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

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E. Co-Occurring Treatment and No Wrong Door

1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.

2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

   a. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.

   b. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

IV. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. Services Authorization

1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.

2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.

3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.

4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.

5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

B. Telehealth

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1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

   https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Fixed Service Rate up to maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

CONTRACTOR shall be reimbursed at the following negotiated rate:

VIRTUAL INTENSIVE OUTPATIENT PROGRAM		
Amount Per FY	**Daily Rate**	**Total Maximum Agreement**
FY 2024-25	$350	$15,050
FY 2025-25 Maximum Liability		**$15,050**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S

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Maximum Rate, which is based on the most recent State's Medi-Cal Behavioral Health Service Fee Schedules established by the State's Department of Health Care Services. In no case shall payments to CONTRACTOR exceed County's Maximum Rates. In addition to the rate limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Behavioral Health Invoice Form provided as Exhibit F, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30^{th}) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

   CONTRACTOR shall submit via email a monthly claim using Exhibit F, Behavioral Health Invoice Form in Excel format with electronic signature along with supporting documentation, as may be required by the COUNTY for services rendered to:

   MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or

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end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. ~~Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.~~

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$15,050** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
FY 2024- 25	$15,050
TOTAL MAXIMUM COUNTY OBLIGATION:	**$15,050**

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C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

A. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

B. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H and 2 C.F.R. § 230. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

C. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

D. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

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E. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

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A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services are submitted by CONTRACTOR to COUNTY.

   CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in undertaking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal claims or other State required claims data within the thirty (30) calendar daytime frame(s) as prescribed by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative

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Activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section II (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Health Care Services guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated fee for service program revenue, under this Agreement, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

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E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) showing all such non-reported revenue.
2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

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G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C:
CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

OCD Anxiety Centers California LLC
Business Name of Contractor

Signed by:
Mark Hobbins
C73303DD9061484...
Signature of Authorized Representative

Mark Hobbins
Name of Authorized Representative (printed)

8/13/2025 | 10:00 AM PDT
Date

President
Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	OCD Anxiety Centers California LLC		
Name of Contractor's Designee	Mark Hobbins		
Title of Designee	President		
Street 11260 S. River Heights Dr.			
City South Jordan	State UT	Zip 84095	
IRS Employer Identification Number	99-2032506 - CA		

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by:
Mark Hobbins
C73303DD9061484...

Signature of Contractor

Date 8/13/2025 | 10:00 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.

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- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.
(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.
(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.
(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.
(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and

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preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

OCD ANXIETY CENTERS CALIFONIA LLC
Contractor (Organization Name)

Signed by:
Mark Hobbins
C73303DD90614844...
Signature of Authorized Representative

Mark Hobbins
Name of Authorized Representative

8/13/2025 | 10:00 AM PDT
Date

President
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective **January 13, 2025** ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and **OCD ANXIETY CENTERS CALIFORNIA LLC** ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

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AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

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(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non- permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name

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of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

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3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de- identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R.
§ 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if,

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and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

OCD Anxiety Centers California LLC
Attn: Katie Barrett
1459 N Main Street, Suite 100
Bountiful, UT, 84010
Phone: (385)442-6922
Email: katie.barrett@ocdanxietycenters.com

If to Covered Entity, to:

County of Monterey Health Department

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Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

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~~**5.10 Insurance**. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:~~

DS
7/29/2025 | 3:42

~~Unique Patients~~	~~Coverage~~
~~Less than 12,001~~	~~$2,000,000~~
~~12,001 – 30,000~~	~~$3,000,000~~
~~30,001 – 60,000~~	~~$5,000,000~~
~~More than 60,000~~	~~$10,000,000~~

Initial
8/13/2025 | 10:00 AM PDT

~~If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.~~

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or

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its Subcontractor, employee, or agent is a named adverse party.

5.14 **No Offshore Work**. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 **Information Blocking Rules**. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Mark Hobbins C73303DD90061484...	By:
Print Name Mark Hobbins	Print Name: Elsa Jimenez
Print Title President	Print Title: Director of Health
Date: 8/13/2025 | 10:00 AM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	OCD ANXIETY CENTERS LLC	Invoice Number :	
Address Line 1	1459 N Main Street, Suite 100, Bountiful, UT, 84010	County PO No. :	
Address Line 2		Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:	January 13, 2025 - March 17, 2025	Final Invoice :	(Check if Yes)
BH Division :			BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2024-25	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Virtual Intensive Outpatient Program			$350.00	43			0	43	100%	$ 15,050	$ -		$ -	$ 15,050.00	100%
							0	0	#DIV/0!	$ -	$ -		$ -	$ -	#DIV/0!
TOTALS				43	0	0	0	43	100%	$15,050	0.00	0.00	0.00	$15,050	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____
Authorized Signatory Date

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I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

    1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

    2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

    3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

    1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Not withstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

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2. Deducted from future claims over a period not to exceed six (6) months;

3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

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COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Society for the Prevention of Animals for Monterey County (SPCA),

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services to be provided are generally described as follows:

All-inclusive spay/neuter mobile clinics for both owned domestic dogs and cats as well as feral cats of residents in South Monterey County.

2.0 PAYMENT PROVISIONS:

2.1 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 42,000

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from Upon Execution **to** June 30, 2025, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other:

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 The Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

Initial SD
Contractor
DS
County

~~CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.~~

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

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9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

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If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:

CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

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Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County,

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to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

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13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Cindy Burnham, Animal Services Administrator	Scott Delucchi, President and CEO
Name and Title	Name and Title
160 Hitchcock Rd., Salinas, CA. 93908	PO Box 3058, Monterey, CA. 93942
Address	Address
831.769.8796	831.264.5420
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

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16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

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18.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: DocuSigned by: _____
Department Head (if applicable)

Date: 2/20/2025 | 10:30 PM PST

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Robert I. Brayer Robert I. Brayer
County Counsel
County of Monterey

Date: 1/22/2025 | 4:32 PM PST

Approved as to Fiscal Provisions

By: DocuSigned by: Jennifer Forsyth Jennifer Forsyth
Auditor/Controller
Auditor-Controller Analyst II

Date: 1/22/2025 | 4:52 PM PST

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____
David Bolton, Risk Manager

Date: _____

CONTRACTOR

Society for the Prevention of Animals for Monterey Cou
Contractor/Business Name *

By: DocuSigned by: _____
(Signature of Chair, President, or Vice-President)

Scott Delucchi CEO
Name and Title

Date: 1/21/2025 | 1:42 PM PST

By: DocuSigned by: Susan Imwalle
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Susan Imwalle Vice President and CFO
Name and Title

Date: 1/21/2025 | 3:47 PM CST

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

Society for the Prevention of Animals for Monterey County (SPCA)
Term: Upon Execution - 06/30/2025
NTE: $42,000

Docusign Envelope ID: A8DA4B5B-4F74-48E7-9CB4-54937877A93D

ADDENDUM NO. 1

TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY
AND SOCIETY FOR THE PREVENTION OF ANIMALS FOR MONTEREY COUNTY
(SPCA)

This Addendum No. 1 amends, modifies, and supplements the County of Monterey Agreement by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "County") and **SOCIETY FOR THE PREVENTION OF ANIMALS FOR MONTEREY COUNTY (SPCA)** (hereinafter "CONTRACTOR"). This Addendum No. 1 has the full force and effect as if set forth within the Agreement and is incorporated by reference and made a part of the Agreement. Notwithstanding the provision of Section 16.16 of the Agreement, to the extent that any of the terms or conditions contained in this Addendum No. 1 may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum No. 1 shall take precedence and supersede the Agreement.

NOW, THEREFORE, County and CONTRACTOR agree that the Agreement terms and conditions shall be amended, modified, and supplemented as follows:

1. Section 8.0 of the Agreement, shall be deleted and restated in its entirety to read as follows:

8.0 MUTUAL INDEMNIFICATION

Each party shall indemnify, defend, and hold harmless the other, its officers, agents, employees, or subcontractors from and against any claim, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorney's fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the other party's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "Party's performance" includes Party's action or inaction and the action or inaction of the party's officers, employees, agents and subcontractors.

********** SIGNATURE PAGE TO FOLLOW **********

Docusign Envelope ID: A8DA4B5B-4F74-48E7-9CB4-54937877A93D

IN WITNESS WHEREOF, the parties hereto have executed this Addendum No. 1, by the authority as follows:

CONTRACTOR – Society for the Prevention of Animals for Monterey County (SPCA)

Approved:

By: DocuSigned by: E9A63BB4FC16419...

Scott Delucchi CEO

Name and Title

Date: 1/21/2025 | 1:42 PM PST

Approved:

By: DocuSigned by: Susan Imwalle A95F75EA3A1647C...

Susan Imwalle Vice President and CFO

Name and Title

Date: 1/21/2025 | 3:47 PM CST

COUNTY OF MONTEREY

Approved as to Form:

By: DocuSigned by: Robert I. Brayer 6D0AC6C2AA4A4A8...

Robert I. Brayer County of Monterey

Name and Title

Date: 1/22/2025 | 4:32 PM PST

Approved: as to Fiscal Provisions

By: DocuSigned by: Jennifer Forsyth 4E7E657875454AE...

Jennifer Forsyth Auditor-Controller Analyst II

Name and Title

Date: 1/22/2025 | 4:52 PM PST

Approved:

By: DocuSigned by: C7A30BA59CA8423...

Elsa Mendoza Jimenez, Director of Health Services

Name and Title

Date: 2/20/2025 | 10:30 PM PST

Docusign Envelope ID: A8DA4B5B-4F74-48E7-9CB4-54937877A93D

EXHIBIT A

To Agreement by and between
County of Monterey, for services at Monterey County Health Department, ("COUNTY")
and
Society for the Prevention of Animals for Monterey County (SPCA) ("CONTRACTOR")

Scope of Services/Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. 10 Mobile Spay/Neuter clinics for both owned domestic dogs and cats as well as feral cats (as space allows). Each clinic will cost $4,200 and include spay/neuter, rabies and FVRCP or DHPP vaccination (and ear tip for any feral cats). These clinics are for any South County resident, residing in either an unincorporated Monterey County area or South County city that is located south of Chualar. CONTRACTOR will be responsible to coordinate clinics with participants.

A.2 CONTRACTOR shall produce the following deliverables (written reports, installed products, etc.) by the dates indicated below:

1. CONTRACTOR shall submit invoices following each clinic. With each invoice, CONTRACTOR shall provide the following data in a report: 1) total number of animals sterilized (specifying residents: unincorporated Monterey County or City of Salinas), 2) dogs vs cats; 3) male vs female; 4) number of female cats pregnant at time of surgery, 5) zip code and street name. This data will serve to help determine the locations that have benefitted from the services;

2. All written reports required under this Agreement shall be delivered to the Animal Services Director or designated staff, in accordance with the schedule above.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

COUNTY shall pay an amount not to exceed **$42,000** for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

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1. Mobile Spay/Neuter clinics are at the rate of $4,200 per clinic and will provide services to approximately 25 animals per clinic. No additional fees are to be paid by COUNTY.

2. Residents are required to pay a $25 deposit to CONTRACTOR when scheduling clinic services. This deposit will be refunded upon attending the scheduled clinic appointment.

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable.

CONTRACTOR shall invoice the COUNTY after services are provided for each animal that receives veterinary care. Each invoice must reference an animal with a corresponding Animal ID number received from Animal Services. Invoices received without corresponding Animal ID numbers may not be paid.

CONTRACTOR shall submit invoices following each feral cat clinic.

CONTRACTOR shall submit invoices to:

Invoices may be mailed to: Monterey County Health Department
Animal Services
Attn: Accounts Payable/Environmental Health
1270 Natividad Road
Salinas, CA 93906

Invoices shall be emailed directly to: 296-FinanceAS@co.monterey.ca.us
Cc: gonzalezg@countyofmonterey.gov

COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

COUNTY shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

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DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-17223
a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Society for the Prevention of Cruelty to Animals for Monterey County (SPCA) for the provision of all-inclusive spay/neuter mobile clinics for owned dogs and cats as well as feral cats of residents in South Monterey County in the amount of $42,000 with a term effective upon execution to June 30, 2025; and
b. Approve non-standard indemnification provisions as recommended by the Director of Health Services; and
c. Approve and authorize the Director of Health Services or designee to execute up to three future amendments to this Agreement where the amendments do not exceed 10% ($4,200) of the original Agreement amount, do not significantly change the scope of work, and the total Agreement amount does not exceed $46,200; and
d. Approve and authorize the Contracts and Purchasing Officer or their designee to execute future Amendments, provided they do not exceed an aggregate amount of $200,000 and fall within the signing authority of the Contracts and Purchasing Officer. (REVISED VIA SUPPLEMENTAL)

PASSED AND ADOPTED on this 11th day of February 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Daniels
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting February 11, 2025.

Dated: February 13, 2025
File ID: A 25-025
Agenda Item No.: 10

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

Docusign Envelope ID: 110EAB8D-1EAD-4C83-8F57-76225E914C8A

RENEWAL AND AMENDMENT NO. 1
TO THE AGREEMENT BETWEEN THE
COUNTY OF MONTEREY
AND
SOCIETY FOR THE PREVENTION OF ANIMALS FOR MONTEREY COUNTY
(SPCA)

This Renewal and Amendment No. 1 to Agreement, No. A-17223, is made and entered into by and between the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Society for the Prevention of Animals for Monterey County (SPCA), hereinafter referred to as "CONTRACTOR."

WHEREAS, the COUNTY and CONTRACTOR entered into Agreement A-17223 with a start date of February 20, 2025 in an amount not to exceed $42,000 for the provision of all-inclusive spay/neuter mobile clinics for both owned domestic dogs and cats as well as feral cats of residents in South Monterey County; and

WHEREAS, the AGREEMENT expired by its terms on June 30, 2025; and

WHEREAS, the COUNTY and CONTRACTOR mutually desire to reinstate the AGREEMENT with effect retroactive to July 1, 2025, and to amend the AGREEMENT as provided below; and

WHEREAS, the COUNTY and CONTRACTOR wish to amend AGREEMENT to extend the term for an additional year for a new term of February 20, 2025 through June 30, 2026, increase the total AGREEMENT amount by $200,000 to allow for spay/neuter clinics in the community as approved and veterinary services for shelter animals as approved, for a new total Agreement amount of $242,000, and replace Exhibit A.

NOW THEREFORE, both parties hereby agree to renew and amend the Agreement as follows:

1. **Section 2.0, "PAYMENT PROVISIONS",** shall be amended by removing, "The total amount payable by County to CONTRACTOR under this Agreement is not to exceed the sum of $42,000" **and replacing it with** "The total amount payable by County to CONTRACTOR under this Agreement is not to exceed the sum of $242,000".

2. **Section 3.0, "TERM OF AGREEMENT", Section 3.01, shall be amended by removing** "The term of this AGREEMENT is from February 20, 2025 to June 30, 2025, unless sooner terminated pursuant to the terms of this AGREEMENT.", **and replacing it with** "The term of this AGREEMENT is from February 20, 2025 to June 30, 2026, unless sooner terminated pursuant to the terms of this AGREEMENT."

3. **Exhibit A is replaced** with Exhibit A-1. All references in the Agreement to Exhibit A shall be construed to refer to Exhibit A-1.

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4. All other terms and conditions of the Agreement remain unchanged and in full force. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

5. A copy of this Renewal & Amendment No. 1 shall be attached to the original Agreement executed by the County on February 20, 2025.

6. This Renewal & Amendment No. 1 is effective upon execution.

********** **SIGNATURE PAGE TO FOLLOW** **********

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Renewal & Amendment No. 1 as of the day and year written below.

COUNTY OF MONTEREY	**CONTRACTOR**
By: _____	Society for the Prevention of Animals For Monterey County (SPCA)
Contracts/Purchasing Officer	Contractor's Business Name*
Date: _____	
By: _____	By: DocuSigned by: _____
Department Head (if applicable)	(Signature of Chair, President, or Vice President)*
Date: _____	
By: _____	Scott Delucchi President & CEO
Board of Supervisors (if applicable)	Name and Title
Date: _____	Date: 8/8/2025 | 12:31 PM PDT
Approved as to Form[1] DocuSigned by:	
By: Robert I. Brayer Robert I. Brayer 6D0AC6C2AA4A4A8...	By: DocuSigned by: Susan Imwalle A95E75EA3A1047C...
County Counsel	(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasure)*
County of Monterey	Susan Imwalle Vice President and CFO
Date: 8/13/2025 | 11:01 AM PDT	Name and Title
Approved as to Fiscal Provisions[2] DocuSigned by: Patricia Ruiz	
By: Patricia Ruiz Auditor/Controller Signed By: E79EF64E57454E6...	Date: 8/8/2025 | 2:56 PM CDT
Auditor/Controller	
Auditor Controller Analyst I	
Date: 8/14/2025 | 3:06 PM PDT	
Approved as to Liability Provisions[3]	
By: _____	
Risk Management	
Date: _____	

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required.
[2]Approval by Auditor-Controller is required.
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9 of Standard County Agreement.

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EXHIBIT A

To Agreement by and between
County of Monterey, for services at Monterey County Health Department, ("COUNTY")
and
Society for the Prevention of Animals for Monterey County (SPCA) ("CONTRACTOR")

Scope of Services/Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. 10 Mobile Spay/Neuter clinics for both owned domestic dogs and cats as well as feral cats (as space allows). Each clinic will cost $4,200 and include spay/neuter, rabies and FVRCP or DHPP vaccination (and ear tip for any feral cats). These clinics are for any South County resident, residing in either an unincorporated Monterey County area or South County city that is located south of Chualar. CONTRACTOR will be responsible to coordinate clinics with participants.

2. CONTRACTOR shall provide spay/neuter services and additional veterinary services for shelter animals as requested and approved in writing by HRAS staff, for the duration of the Agreement. All services are subject to staff approval and the availability of budgeted funds.

    a. Invoices for these services shall be separate from any other community clinic service invoices and must include animal ID numbers for each service provided.
    b. CONTRACTOR shall provide an updated cost per clinic and updated cost per service/treatment for approval prior to any scheduling. Cost per clinic to include spay/neuter, core vaccines, rabies vaccination and ear tip (feral only) with no additional cost to the resident or feral caretaker. Additional services including other vaccinations or microchips that are requested by the pet owner/caretaker are the responsibly of the pet owner/caretaker.
    c. COUNTY shall communicate each individual need to CONTRACTOR and provide written approval via email prior to the delivery of any services or treatment.

A.2 CONTRACTOR shall produce the following deliverables (written reports, installed products, etc.) by the dates indicated below:

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1. CONTRACTOR shall submit invoices following each clinic. With each invoice, CONTRACTOR shall provide the following data in a report: 1) total number of animals sterilized (specifying residents: unincorporated Monterey County or City of Salinas), 2) dogs vs cats; 3) male vs female; 4) number of female cats pregnant at time of surgery, 5) zip code and street name. This data will serve to help determine the locations that have benefitted from the services;

2. All written reports required under this Agreement shall be delivered to the Animal Services Director or designated staff, in accordance with the schedule above.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

COUNTY shall pay an amount not to exceed **$242,000** for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

1. Mobile Spay/Neuter clinics are at the rate of $4,200 per clinic and will provide services to approximately 25 animals per clinic. No additional fees are to be paid by COUNTY.

2. Residents are required to pay a $25 deposit to CONTRACTOR when scheduling clinic services. This deposit will be refunded upon attending the scheduled clinic appointment.

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR must obtain prior approval from COUNTY for all charges before submitting an invoice.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable.

CONTRACTOR shall invoice the COUNTY after services are provided for each animal that receives veterinary care. Each invoice must reference an animal with a

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corresponding Animal ID number received from Animal Services. Invoices received without corresponding Animal ID numbers may not be paid.

CONTRACTOR shall submit invoices following each feral cat clinic.

CONTRACTOR shall submit invoices to:

Invoices may be mailed to: Monterey County Health Department
Animal Services
Attn: Accounts Payable/Environmental Health
1270 Natividad Road
Salinas, CA 93906

Invoices shall be emailed directly to: 296-financeas@countyofmonterey.gov
Cc: gonzalezg@countyofmonterey.gov

COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

COUNTY shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **CRESTWOOD BEHAVIORAL HEALTH, INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short–Doyle Skilled Nursing Facility for psychiatric care of adults as a Mental Health Rehabilitation Center (MHRC), Skilled Nursing Facility (SNF), and Skilled Nursing Facility with Special Treatment Program (SNF-STP).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

i. Complete written description of event including outcome;

ii. Written report of CONTRACTOR's investigation and conclusions;

iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the ~~sole~~ negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, ~~Independent Contractors~~, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss as additional insured covered by the CONTRACTOR'S insurance.

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The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new

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or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Elena Mashkevich
Executive Director of Contracts
Crestwood Behavioral Health, Inc.
520 Capital Mall, Suite 800
Sacramento, CA 95814
(916) 417-2244
(916) 471-2212 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/14/2025 | 1:55 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/14/2025 | 3:09 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

CRESTWOOD BEHAVIORAL HEALTH, INC.
CONTRACTOR NAME
Contractor's Business Name *

By: Signed by: Elena Mashkevich C2FCF433A5064D2...
(Signature of Chair, President, or Vice-President) *
Elena Mashkevich,
Executive Director of Contracts
Name and Title

Date: 8/13/2025 | 11:19 AM PDT

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Derek Dobbins, President
Name and Title

Date: 8/14/2025

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1] Approval by the Office of the County Counsel is required.

[2] Approval by Auditor-Controller is required.

[3] Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM 1 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814			
Facility Name	**Address**	**Telephone #**	**License**
Crestwood Center at Napa Valley	295 Pine Breeze Dr., Angwin, CA 94508	(707) 965-2461	MHRC

Incorporation Status: Private, for profit, Corporation

Type of Facility: Mental Health Rehabilitation Center (MHRC)

Type of License: MHRC

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a Mental Health Rehabilitation Center level of care.

III. PROGRAM DESCRIPTION

Treatment services include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through patient assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:
   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:
   a) Behavior modification modalities;
   b) Re-motivation therapy;
   c) Patient government activities;

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d) Recovery Focused Groups;
e) Individual Recovery Service Plans.

3. Interpersonal Relationships Guidance. This shall include but not be limited to:
   a) Social Support Services;
   b) Educational and recreational training;
   c) Social activities such as outings, dances, etc.;

4. Pre-vocational Preparation Services. This shall include but not be limited to:
   a) Homemaking;
   b) Vocational Services;
   c) Work activity;
   d) Work habits;
   e) Pre-release planning;
   f) Out-of-home planning.

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and program service.

C. To restore the client's level of functioning in the community to a lower level of care.

D. To increase the client's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of de-compensation, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Mental Health Rehabilitation Program (MHRC) plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. Individuals in need of 24-

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hour Mental Health Rehabilitation Center services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower-level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation or physical illnesses (without psychiatric component) shall not be considered for admission. All admissions are subject to the prior authorization from COUNTY and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to MHRC residents) shall comply with Title 9 of the California Code of Regulations, Section 782.10 – 787.14, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour Mental Health Rehabilitation Center services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental illness, clients are unable to provide for their basic needs.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a Mental Health Rehabilitation Center facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with

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the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. TYPES OF SERVICE

CONTRACTOR and COUNTY shall make an initial, individual assessment of each client to determine the initial level of placement. CONTRACTOR in conjunction with COUNTY shall determine placement changes as needed.

Napa Valley – Angwin (MHRC)	
Service Type	**Rate per day/client FY 2025-26**
Level 1	$427
Level 2	$341
Level 3	$288

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Liaison.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3.5 of Division 1 of Title 9 of the California Code of Regulations pertaining to Mental Health Rehabilitation Centers.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

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Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT A: PROGRAM 2 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814				
Facility Name	**Address**	**Telephone #**	**Type of Facility**	**License**
Crestwood Treatment Center	2171 Mowry Avenue, Fremont, CA 94538	(510) 793-8383	Skilled Nursing Facility (SNF) / Neurobehavioral Center	SNF

Incorporation Status: Private, for profit, Corporation

II. TARGET POPULATION/FACILITY SPECIALIZATION

Specialized long-term care program for adults with impairments such as organic brain syndrome (OBS), traumatic brain injury, dementia, developmental disability, and other neurological conditions, who are from 18 years of age or older.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A highly structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.

B. A structured behavioral management approach that stresses environmental safety and individual management.

C. A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

1. Behavior modification
2. Community skills development
3. Psychological and psychiatric adjustment
4. Self-care development
5. Group interaction
6. Individual social support
7. Individual counseling
8. Interpersonal and social skills development
9. Educational and recreational training
10. Art and Music Therapy

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IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches.

C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning.

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time.

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community.

F. To provide the intensive staff required to supervise and treat OBS, Traumatic Brain Injured, Dementia, and Medically Debilitated Diagnosis Adults.

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Neurobehavioral Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis and the presence of a neurological condition, such as brain injury or dementia, and conserved and found to be gravely disabled, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1. Dementia or OBS.

2. Severe cognitive impairment secondary to brain injury or neurological condition with behaviors preventing community placement.

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3. Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management.

4. Neurodegenerative disease accompanied or exacerbated by mental illness that prevents Skilled Nursing Facility placement.

   Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

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IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. TYPES OF SERVICE

CONTRACTOR and COUNTY shall make an initial, individual assessment of each client to determine the initial level of placement. CONTRACTOR in conjunction with COUNTY shall determine placement changes as needed.

Crestwood Treatment Center – Fremont (SNF)	
Service Type	**Rate per day/client FY 2025-26**
County Supplemental Rate	$173

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Liaison.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

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XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

B. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT A: PROGRAM 3 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814				
Facility Name	**Address**	**Telephone #**	**Type of Facility**	**License**
Crestwood Manor - Modesto	1400 Celeste Drive, Modesto, CA 95355	(209) 526-8050	Skilled Nursing Facility (SNF) – Geropsych 65+ / Special Treatment Program (STP)	SNF

Crestwood Behavioral Health, Inc. 520 Capitol Mall, Suite 800, Sacramento, CA 95814				
Facility Name	**Address**	**Telephone #**	**Type of Facility**	**License**
Crestwood Manor - Stockton	1130 Monaco Court, Stockton, CA 95207	(209) 478-2060	Skilled Nursing Facility (SNF) – Geropsych 65+ / Special Treatment Program (STP)	SNF

Incorporation Status: Private, for profit, Corporation

II. TARGET POPULATION/FACILITY SPECIALIZATION

Specialized long-term care program for adults 18 years of age or older with a primary Axis 1 diagnosis of Schizophrenia, Schizoaffective, or bipolar disorder, along with a medical diagnosis (STP Unit); or a medical diagnosis along with an Axis 1 diagnosis or Dementia along with a mental health diagnosis, typically 65 years of age or older (SNF Unit). Both STP and SNF are secured, locked units.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A highly structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.

B. A structured behavioral management approach that stresses environmental safety and individual management.

C. A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

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1. Behavior modification
2. Community skills development
3. Psychological and psychiatric adjustment
4. Self-care development
5. Group interaction
6. Individual social support
7. Individual Recovery Service Plans
8. Interpersonal and social skills development
9. Educational and recreational training
10. WRAP (Wellness Recovery Action Plan)
11. DBT (Dialectical Behavior Therapy

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches.

C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning.

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time.

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community.

F. To provide the intensive staff required to supervise and treat Schizophrenia, Schizoaffective, Bipolar and other Axis 1 mental health disorders.

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

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A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis or a medical diagnosis requiring SNF care, and LPS or Murphy conserved and found to be gravely disabled, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1. Dementia along with a psychiatric diagnosis and a medical diagnosis.

2. Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

3. Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less

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restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. TYPES OF SERVICE

Acuity Level for SNF Rate Determinations:

1. **Level 1 Mixed-Mid Level of Complexity:** Clients with the greatest psychiatric stabilization, requiring minimal behavioral intervention and benefitting from structured psychoeducation, community living skills, and medication management to support independence.
    a. Receives 24-hour skilled nursing care with RN oversight\ Maintains individualized plan of care with regular psychiatric visits
    b. Participates in substance use treatment, 1:1 counseling, and psychoeducation
    c. Demonstrates engagement in recovery-focused programming
    d. Utilize cognitive and milieu therapies to improve insight, functioning, and social skills.
    e. Builds independence through ADL support and community living skills
    f. Stabilized on psychotropic medications with monitoring and management

2. **Level 2 Moderate Level of Complexity:** Clients with significant psychiatric and behavioral challenges requiring frequent interventions, enhanced supervision, and intensive behavioral support to promote stabilization.
    a. Moderate to high supervision needed, including 30-min to 1:1 safety checks
    b. Frequent behavioral redirection and use of individualized behavior plans
    c. Direct assistance with ADLs and supervised dining due to behavioral barriers
    d. Engaged in 27–61 hours/week of structured programming with increased staff support
    e. High risk for AWOL, assaultive behavior, or socially inappropriate conduct
    f. Requires behavioral contracts, enhanced medication compliance support, and psychiatric oversight
    g. Require specialized supports (e.g., Clozaril monitoring, catheter care, Orchid Dining Program)

3. **Level 3 High Complexity:** Clients with a high level of acuity requiring intensive supervision, frequent interventions, and enhanced medical and behavioral support for stabilization
    a. Frequent 1:1 supervision for high-risk behaviors such as polydipsia, PICA,

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choking, fall risk, or aggression.

b. 15-minute safety checks and daily room searches implemented to ensure client and community safety.

c. Enhanced physician and behavioral health support provided, including individual counseling.

d. Clients often need individualized programming and 1:1 support due to isolative behavior, poor group attendance, or complex psychiatric symptoms.

e. High supervision and behavioral interventions are required for clients with dual diagnoses, substance use history, property destruction, or assaultive behavior.

f. Clients may require additional services such as sensory room visits, behavior contracts, and consultation with outside specialists or coordination for physical therapy.

CONTRACTOR and COUNTY shall make an initial, individual assessment of each client to determine the initial level of placement. CONTRACTOR in conjunction with COUNTY shall determine placement changes as needed.

Crestwood Manor – Modesto (SNF/STP)	
Service Type	**Rate per day/client FY 2025-26**
Mixed/Mid-Level Complexity	$74
Moderate Complexity	$108
High Complexity	$145

Crestwood Manor – Stockton (SNF/STP)	
Service Type	**Rate per day/client FY 2025-26**
Mixed/Mid-Level Complexity	$74
Moderate Complexity	$108
High Complexity	$145

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Liaison.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

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B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

C. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

XV. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

1. The payment rates are established by the CONTRACTOR. Rates are subject to re-negotiation with a ninety (90) day advance notice from CONTRACTOR.

2. The rate for Leave of Absence and Bed Hold for acute hospitalization shall remain at the per diem rate based on the placement rate of client at the time of leave.

3. The following program services will be paid in arrears at the maximum listed rate per unit for **FY 2025-26.**

A. MENTAL HEALTH REHABILITATION CENTER SERVICES

Crestwood Center at Napa Valley - Angwin					
MHRC Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Level 1	05	90	3285	$427	$1,402,695
Level 2	05	90	0	$341	$0
Level 3	05	90	0	$288	$0
Grand Total Crestwood Center Angwin FY 2025-26:					**$1,402,695**

Additional Rates/Services for MHRC:

- The Private Room rate is billable at the facility's lowest Level Rate in addition to the current level of stay rate
- 1:1 supervision (per hour) is billable at $32.00
- Bedhold Rate is billable at client's Level Rate at the time of a bedhold

MHRC Care Levels rate include room and board, nursing care, program services, activity programs, OTC medications, dietary, etc.

Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable.

B. SKILLED NURSING FACILITY SERVICES

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Crestwood Treatment Center – Fremont (SNF – Non IMD)					
SNF Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Neurobehavioral Patch	05	30 - 34	365	$173	$63,145
Grand Total Crestwood Fremont FY 2025-26:					**$63,145**

C. SKILLED NURSING FACILITY / SPECIAL TREATMENT PROGRAM

Crestwood Manor – Modesto (SNF/STP – Non IMD)					
SNF/STP Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Mixed/Mid-Level Complexity	05	30 - 34	0	$74	$0
Moderate Complexity	05	30 - 34	0	$108	$0
High Complexity	05	30 - 34	4380	$145	$635,100
Grand Total Crestwood Modesto FY 2025-26:					**$635,100**

Crestwood Manor – Stockton (SNF/STP – Non IMD)					
SNF/STP Service Description	Mode of Service	Service Function Code	Estimated Units of Service	Daily Rate	Yearly Estimated Cost
Mixed/Mid-Level Complexity	05	30 - 34	0	$74	$0
Moderate Complexity	05	30 - 34	0	$108	$0
High Complexity	05	30 - 34	1825	$145	$264,625
Grand Total Crestwood Stockton FY 2025-26:					**$264,625**

Additional rates/services for SNF,SNF/STP:

- Private room is billed at the Medi-Cal published rate
- 1:1 Supervision (per hour) is billable at $32.00

SNF/STP – Medi-Cal published rate include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with title 22, CCR, section 51511C.

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting

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documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

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V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$2,365,565** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
FY 2025-26	$2,365,565
TOTAL MAXIMUM LIABILITY	**$2,365,565**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the

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CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	Crestwood Behavioral Health, Inc.
	Business Name of Contractor
Signed by: Elena Mashkevich C2FCF433A5064D2...	Elena Mashkevich
Signature of Authorized Representative	Name of Authorized Representative (printed)
8/13/2025 | 11:19 AM PDT	Executive Director of Contracts
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	Crestwood Behavioral Health, Inc.	
Name of Contractor's Designee	Elena Mashkevich	
Title of Designee	Executive Director of Contracts	
Street 520 Capitol Mall, Suite 800		
City Sacramento	State CA	Zip 95814
IRS Employer Identification Number	68-0399495	

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by: Elena Mashkevich C2FCF430A5064B2...

Signature of Contractor

Date 8/13/2025 | 11:19 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.

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- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3-year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Signed by:
Elena Mashkevich
C2FCF433A5064D2...
Signature of Authorized Representative

8/13/2025 | 11:19 AM PDT
Date

Crestwood Behavioral Health, Inc.
Contractor (Organization Name)

Elena Mashkevich
Name of Authorized Representative (printed)

Executive Director of Contracts
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and CRESTWOOD BEHAVIORAL HEALTH, INC. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

CRESTWOOD BEHAVIORAL HEALTH, INC.
Attn: Elena Mashkevich
Executive Director of Contracts
520 Capital Mall, Suite 800, Sacramento, CA 95814
Phone: (916) 471-2244
Fax: (916) 471-2212
Email: elena.mashkevich@cbhi.net

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, Cyber liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, and agents under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Elena Mashkevich C2ECE433A5064D2	By:
Print Name Elena Mashkevich	Print Name: Elsa M. Jimenez
Print Title Executive Director of Contracts	Print Title: Director of Health Services
Date: 8/13/2025 | 11:19 AM PDT	Date:

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Cost Reimbursement Invoice Form

COUNTY OF MONTEREY, Behavioral Health Bureau

Invoice Number:

Contractor:	Crestwood Behavioral Health, Inc.
Address Line 1	Remit: P.O. Box 7095, Stockton, CA 95267-0095
Address Line 2	Crestwood Center Napa Valley, 295 Pine Breeze Dr., Angwin, CA 94508
Address Line 3	Crestwood Treatment Center, 2171 Mowry Ave, Fremont, CA 94538
Address Line 4	Crestwood Manor Modesto, 1400 Celeste Drive, Modesto, CA 95355
Address Line 5	Crestwood Manor Stockton, 1130 Monaco Court, Stockton, CA 95207
Tel. No.:	**916-471-2242**
Fax No.:	**916-471-2212**
Contract Term:	FY 2025-2026

County PO No.:

(Check if Yes) **Final Invoice :**

FUNDED PROGRAM:

AVATAR Program,Mode and Service Function Code

Financial Eligibility (Admision Criteria)

Unduplicated Number of Clients Served:

Identify Program

Service Description	Mode of Service	SFC	Units of Service (UOS) Delivered Thru Last Period	Units of Service (UOS) Delivered to Date	Total Contract Amount	UOS Delivered this Period	Negotiated Rate per Unit	Dollar Amount Requested this Period	Total Dollar Amount Requested last Period	Dollar Amount Requested Year-to-Date	Dollar Amount Remaining
MHRC - Angwin	5	90			**$ 1,402,695**		$ 427.00	$ -		$ -	$ 1,402,695
SNF - NueroBehavorial Center - Fremont	5	30-34			**$ 63,145**		$ 173.00	$ -		$ -	$ 63,145
SNF/STP - Crestwood Manor - Modesto	5	30-34			**$ 635,100**						
Mixed/Mid-Level Complexity							$ 74.00	$ -		$ -	
Moderate Complexity							$ 108.00	$ -		$ -	
High Complexity							$ 145.00	$ -		$ -	
							Modesto Sub-Total:	**$ -**	**$ -**	**$ -**	$ 635,100
SNF/STP - Crestwood Manor - Stockton	5	30-34			**$ 264,625**						
Mixed/Mid-Level Complexity							$ 74.00	$ -		$ -	
Moderate Complexity							$ 108.00	$ -		$ -	
High Complexity							$ 145.00	$ -		$ -	
							Stockton Sub-Total:	**$ -**	**$ -**	**$ -**	$ 264,625
		TOTALS:			**$ 2,365,565**			**$ -**	**$ -**	**$ -**	**$ 2,365,565**

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: Date:

Title: Telephone:

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Date

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **INSPIRE BEHAVIORAL HEALTH, LLC** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short–Doyle Skilled Nursing Facility for psychiatric care of adults as an Institution for Mental Disease (IMD).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Jacob Unger, LLC Manager
Inspire Behavioral Health, LLC.
401 Ridge Vista Avenue
San Jose, CA 95127
(408) 923-7232
(408) 254-8380 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/8/2025 | 10:20 AM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz F79EF64E57454E6...
Auditor-Controller's Office

Date: 8/8/2025 | 1:25 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

INSPIRE BEHAVIORAL HEALTH, LLC.
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: Jacob Unger 053A9FF79D8A4FA...
(Signature of Chair, President, or Vice-President) *

Jacob Unger, LLC Manager
Name and Title

Date: 7/8/2025 | 4:08 PM PDT

By: DocuSigned by: Jacob Unger 053A9FF79D8A4FA...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Jacob Unger, LLC Manager
Name and Title

Date: 7/8/2025 | 4:08 PM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1] Approval by the Office of the County Counsel is required.

[2] Approval by Auditor-Controller is required.

[3] Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: Inspire Behavioral Health, LLC

Service Address: 401 Ridge Vista Avenue
San Jose, CA 95127

Incorporation Status: Private, for profit, Corporation

Type of Facility: Skilled Nursing Facility / Institution of Mental Disease (IMD).

Type of License: Skilled Nursing Facility

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a locked skilled nursing level of care.

III. PROGRAM DESCRIPTION

Treatment services include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through patient assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:
   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:
   a) Behavior modification modalities;
   b) Re-motivation therapy;
   c) Patient government activities;
   d) Group counseling;

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e) Individual counseling;
f) Interpersonal Relationships. This shall include but not be limited to social counseling;
g) Educational and recreational training;
h) Social activities such as outings, dances, etc.;
i) Understanding of legal issues and court processes.

3. Pre-vocational Preparation Services. This shall include but not be limited to:
   a) Homemaking;
   b) Work activity;
   c) Vocational counseling; work habits
   d) Pre-release planning;
   e) Out-of-home planning;
   f) Linkage to medical services in the community as needed.

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health Bureau (MCBHB) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and program service.

C. To restore the client's level of functioning in the community to a lower level of care.

D. To increase the client's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of decompensate, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

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The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. Individuals in need of 24-hour skilled nursing services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation or physical illnesses (without psychiatric component) shall not be considered for admission. All admissions are subject to the prior authorization from the COUNTY and CONTRACTOR's commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental illness, clients are unable to provide for their basic needs.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

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If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. TYPES OF SERVICES / SERVICE LEVELS

The following program service levels will be provided within Fiscal Year 2025-26 at the specified Supplemental Rate, which amount is in addition to the base DHCS payment rate outlined in Exhibit B, Section III (A).

Service Type / Designation	Supplemental Rate/Day	Target Population / Service Description
Special Treatment Program: Mild	$40.00	There are no additional services provided for this additional Supplemental Rate beyond those outlined in the Program Description above in Section III. Special Treatment Program staffing includes: • Masters level Program Director to oversee the program. Coordinates care with nursing, psychiatrist, psychologist, and outside agencies. • Primary Counselors Masters level or in the process of obtaining masters. Completes initial assessments/MDS, develop care plans, monthly documentation, provides individual counseling. Interfaces with outside agencies, psychiatrist, and psychologist • Bachelors Level Mental Health Counselors – Group facilitators on majority of daily groups/activities. Works with nursing to ensure resident completes ADL • Daily Activity Assistants • All staff trained in CPI (Crises Prevention Institute) NCI- Nonviolent Crises Intervention and receive additional ongoing in-services recognizing signs and symptoms of residents escalating behavior and how to intervene. • Psychologist and psychiatrist provide ongoing in-service training.
Enhanced Services: The target population are adults with serious and persistent mental health conditions whose behavior requires more intensive behavioral training and programming than is available from traditional Basic SNF Services. It is anticipated that the intensive treatment and staffing provided by enhanced services will prevent State Hospital admissions. Clients needing these services are male or female; have a major psychiatric diagnosis, organic brain syndrome or major mental disorder; are a LPS conservatee of the County; may be physically impaired, perhaps non-ambulatory; and present a special or unusual behavior management issue. The major objectives for these services are: to control and modify the client's destructive behavior; and, to prevent or reduce acute psychiatric hospitalization or long term State hospitalization. Enhanced Services are designed to serve clients who have higher levels of psychiatric impairment and/or whose adaptive functioning is severely impaired as compared to the Special Treatment Program: Mild cases outlined above. The target population may include persons who are often at risk of elopement and occasionally assaultive or self-destructive. They may have complicated medical problems. Additionally, they may require specialized services to ensure a successful transition to community living.		

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Enhanced Services: Moderate Tier	$80.00	This tier encompasses additional service for clients that require additional services including above those provided in a typical skilled nursing treatment setting, including specialized medical treatment for specified medical conditions, more intense supervision and specialized treatment plans. Clients, who may be impaired, have some concurrent medical problems, may be chronic and require routine and frequent interventions, intensive programing and supervision and support. The Denoted Rate takes into account the additional staff time needed to provide intensive supervision and unique mental health treatment interventions. Examples of Residents that meet this requirement: • Chronic mental health diagnosis, with active delusions and hallucinations and/or mood swings • AWOL Risk patients • Verbally aggressive/threatening • Resistive to ADL care i.e. struggles with staff. • Repetitive questioning of others
Enhanced Services: Subacute Tier	$120.00	This tier encompasses Clients with behaviors that may require additional supervision and high level of behavioral interventions over and above the Mild/Moderate Tier. These clients may also have serious concurrent medical problems and require a high-level of nursing interventions. Generally, these clients require more robust behavioral treatment plans, greater in-house counseling hours, increased monitoring and redirection from dedicated mental health workers (including 1:1 care), in addition to greater utilization of psychiatry/psychology services. Examples of Residents that meet this requirement: • Periodic physical aggression towards staff or peers • Two people assist with ADL - strikes out at staff. • Risk of Property destruction • Constant wandering behavior • Maladaptive behaviors that require frequent counseling and attention from direct care staff • Severe psychosis which requires frequent redirection/counseling/behavior modification from unit staff

A. CONTRACTOR agrees to coordinate with the COUNTY Placement Team Manager or members to determine initial level of care, and to contact the Designated Contract Monitor or other member of the Placement Team prior to placing a patient at one the two Enhanced Services tiers described above, so that a so that a timely assessment can be made by the COUNTY in conjunction with Inspire Behavioral Health physician staff.

XI. LIMITATIONS OF SERVICE

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The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR's State of California license.

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Monitor.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.

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- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

XV. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. REIMBURSEMENT FOR BASIC AND SPECIAL TREATMENT PROGRAM (STP) SERVICES

A. The base payment rate shall be a negotiated amount or up to the maximum per diem rate established by the State of California Department of Health Care Services for Medi-Cal Free-Standing Nursing Facilities Level B designated as Institutions of Mental Disease (IMD) for the "SF Bay Area Counties" region, based on the Accomodation Code 01 (60+ beds) rate published July 1, 2019, with 3.5% added for each subsequent fiscal year (FY). The Special Treatment Program (STP) Patch rate of $5.72 is added to the per diem rate. Effective for dates of service on or after May 12, 2023, the rate reduction for IMD leave of absence and bed hold for acute hospitalization is updated to $9.46 per diem. The State establishes these rates annually and they are accessible through the Department of Health Care Services website www.dhcs.ca.gov.

B. In addition to the base payment rates as set by DHCS outlined in the above Section III (A), COUNTY will pay a supplemental rate based on the assessed severity level of the patient at the time of admission, or when the patient is subsequently moved to a higher or lower level of care after assessment by CONTRACTOR and approval by COUNTY.

C. PAYMENT RATES

The following services will be paid in arrears at the rate of the DHCS daily rate with patch PLUS Special Treatment Program or Enhanced Services Supplemental Patch for a combined maximum daily rate of **$331.03** per unit for Special Treatment Program Mild severity patients, **$371.03** per unit for Moderate Tier severity patients, and **$411.03** per unit for Subacute Tier severity patients, for a total maximum of **$1,489,685** for the 1-year term of the Agreement.

Based on current / average severity levels at the Inspire Behavioral Health, LLC facility, Units of Service (UOS) are estimated at the Enhanced Services Moderate Tier for maximum agreement liability calculation.

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TOTAL DHCS RATE + STP / ENHANCED SERVICES SUPPLEMENTAL PATCH - FY 2025-26					
Service Type	**DHCS Daily Rate w/Patch**	**Average Supplemental Daily Patch Rate**	**Combined Daily Rate**	**Estimated # of Units**	**Yearly Estimated Cost**
Special Treatment Program: Mild	$291.03	$40.00	$331.03	0	$0
Enhanced Services: Moderate Tier	$291.03	$80.00	$371.03	4015	$1,489,685
Enhanced Services: Subacute Tier	$291.03	$120.00	$411.03	0	$0
			TOTAL AGREEMENT MAXIMUM LIABILITY:		**$1,489,685**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on the Cost Reimbursement Invoice Form provided as Exhibit G to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

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E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY:

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$1,489,685** for services rendered under this Agreement.

B. Maximum Annual Liability

FISCAL YEAR	AMOUNT
July 1, 2025 - June 30, 2026	$1,489,685
TOTAL AGREEMENT MAXIMUM LIABILITY:	**$1,489,685**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited

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to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	Inspire Behavioral Health, LLC
	Business Name of Contractor
DocuSigned by: Jacob Unger 053A0E570D8A4EA...	Jacob Unger
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/8/2025 | 4:08 PM PDT	Manager
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	Inspire Behavioral Health, LLC		
Name of Contractor's Designee	Jacob Unger		
Title of Designee	Manager		
Street 401 Ridge Vista Ave.			
City San Jose	State CA	Zip 95127	
IRS Employer Identification Number	86-2560538		

I certify that the above information is complete and correct to the best of my knowledge and belief.

DocuSigned by: Jacob Unger
053A9FF79D8A4EA...

Signature of Contractor

Date 7/8/2025 | 4:08 PM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.

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- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

DocuSigned by:
Jacob Unger
053A9FF79D8A4FA...
Signature of Authorized Representative

7/8/2025 | 4:08 PM PDT
Date

Inspire Behavioral Health, LLC
Contractor (Organization Name)

Jacob Unger
Name of Authorized Representative (*printed*)

Manager
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and INSPIRE BEHAVIORAL HEALTH, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

INSPIRE BEHAVIORAL HEALTH, LLC
Attn: Joshua Gastwirth, CEO
401 Ridge Vista Avenue
San Jose, CA 95127
Phone: (408) 923) 7232
Fax: (408) 254-8380
Email: shuagas@gmail.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Jacob Unger 053A0FF70D8A4FA...	By:
Print Name Jacob Unger	Print Name: Elsa M. Jimenez
Print Title Manager	Print Title: Director of Health Services
Date: 7/8/2025 | 4:08 PM PDT	Date:

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EXHIBIT G: Cost Reimbursement Invoice Form

COUNTY OF MONTEREY, Behavioral Health Bureau

		Invoice Number:	
Contractor:	Inspire Behavioral Health, LLC		
Address Line 1	401 Ridge Vista Avenue, San Jose, CA 95127	**County PO No.:**	
Tel. No.:	**(408) 923-7232**		
Fax No.:	**(408) 254-8380**		
Contract Term:	FY 2025-2026	**Final Invoice :**	(Check if Yes)

FUNDED PROGRAM:

AVATAR Program,Mode and Service Function Code

Financial Eligibility (Admision Criteria)

Unduplicated Number of Clients Served:

Identify Program

Service Description	Mode of Service	SFC	Units of Service (UOS) Delivered This Period	UOS Delivered Last Period	UOS Delivered Year-to-Date	Negotiated Rate per Unit	Total Contract Amount	Dollar Amount Requested This Period	Dollar Amount Requested Last Period	Dollar Amount Requested Year-to-Date	Contract Dollar Amount Remaining
Inspire Behavioral Health, LLC - San Jose Facility	5	30-34					$ 1,489,685.00				$ 1,489,685.00
Special Treatment Program: Mild Complexity	5	30-34				$ 331.03		$ -	$ -	$ -	
Enhanced Services: Moderate Tier Complexity	5	30-34				$ 371.03		$ -	$ -	$ -	
Enhanced Services: Subacute Tier Complexity	5	30-34				$ 411.03		$ -	$ -	$ -	
Bed Hold Rate -$9.46	5	30-34				$ 321.57	<-<< Enter Rate	$ -	$ -	$ -	
		TOTALS:						$ -	$ -	$ -	$ 1,489,685.00

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

Authorized Signatory

Date

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **TELECARE CORPORATION** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Services provided to individuals with neurobehavioral disorders (Garfield Neurobehavioral) and older adults with a primary diagnosis of severe mental illness (Morton-Bakar Center) at Skilled Nursing Facilities.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Dawan Utecht
Senior Vice President/CDO
Telecare Corporation
1080 Marina Village Pkwy, Ste. 100
Alameda, CA 94501
(510) 337-7950

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/8/2025 | 1:32 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/8/2025 | 1:52 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

TELECARE CORPORATION
CONTRACTOR NAME
Contractor's Business Name *

By: Signed by: Dawan Utecht D954F5E3834B421...
(Signature of Chair, President, or Vice-President) *

Dawan Utecht, Senior Vice President/ CDO
Name and Title

Date: 7/31/2025 | 9:36 AM PDT

By: Signed by: Trisha Niemuth 0000FD0B93304EB...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Trisha Niemuth, CFO
Name and Title

Date: 8/4/2025 | 11:11 AM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM 1 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: Telecare Corporation
Garfield Neurobehavioral Center

Address: 1080 Marina Village Pkwy, Ste. 100
Alameda, CA 94501

Incorporation Status: Private, for profit, Corporation

Type of Facility: SNF – Neurobehavioral Center

Type of License: Skilled Nursing Facility

II. TARGET POPULATION / FACILITY SPECIALIZATION

Specialized long-term care program for adults with impairments such as organic brain syndrome (OBS), traumatic brain injury (TBI), dementia, developmental disability, and other neurological conditions, who are from 18 years of age to 64 years of age.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A highly-structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.

B. A structured behavioral management approach that stresses environmental safety and individual management.

A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

a) Behavior modification
b) Community skills development
c) Psychological and psychiatric adjustment
d) Self-care development
e) Group interaction
f) Individual social support
g) Individual counseling
h) Interpersonal and social skills development

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i) Educational and recreational training
j) Art and Music Therapy

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;

C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning;

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time;

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community;

F. To provide the intensive staff required to supervise and treat OBS, Traumatic Brain Injured, Dementia, and Medically Debilitated Diagnosis Adults; and

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VI. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis and the presence of a neurological condition, such as traumatic brain injury or dementia, and conserved and found to be gravely disabled, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1) Dementia or OBS
2) Severe cognitive impairment secondary to brain injury or neurological condition with behaviors preventing community placement
3) Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

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4) Neurodegenerative disease accompanied or exacerbated by mental illness that prevents Skilled Nursing Facility placement

Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY or CONTRACTOR may grant individual exceptions to these admission criteria.

Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

VII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

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VIII. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

IX. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

X. EVALUATION & REPORTING REQUIREMENTS

A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.

B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Garfield Neurobehavioral Center leadership that may occur during the term of this contract.

XI. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1) Medical necessity;
2) Appropriateness of continued treatment;
3) Focus, level, intensity of care;
4) Outcome of treatment; and
5) Cost of treatment.

XII. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

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CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT A: PROGRAM 2 DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: Telecare Corporation
Morton Bakar Center

Address: 494 Blossom Way
Hayward, CA 94541

Incorporation Status: Private, for profit, Corporation

Type of Facility: SNF – Neurobehavioral Center

Type of License: Skilled Nursing Facility

II. TARGET POPULATION / FACILITY SPECIALIZATION

Morton Bakar Center provides psychosocial rehabilitation and skills-building support for older adults (ages 57+) with a primary diagnosis of severe mental illness. Under the direction of a multidisciplinary team, residents receive diagnostic evaluation and treatment to address their psychiatric and medical needs.

III. PROGRAM DESCRIPTION

Treatment services include:

A. A longer-term recovery program within a supportive, structured, and secure inpatient environment designed to help residents prepare to move to the community and/or lower levels of care. 24-hour nursing care and dedicated staff providing a collaborative recovery environment based on Telecare's Recovery-Centered Clinical System (RCCS) model.

B. The program offers specific approaches that have been found to be effective for an individual's specific stage of readiness to change, motivational interviewing designed to engage and motivate residents who have not responded to traditional interventions, harm reduction strategies, personal strengths development, and data driven interventions.

C. A structured behavioral management approach that stresses environmental safety and individual management.

D. The Telecare RCCS model provides a comprehensive, holistic, and personal approach to recovery. Services include, but are not limited to:

1) Comprehensive evaluation and risk assessment
2) Independent living skills training
3) Physical, occupational, and speech therapy
4) Medication education and training

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5) Psychosocial assessment
6) Psychotherapy
7) Recovery-focused collaborative treatment planning
8) Art and Music Therapy
9) 24-hour nursing care

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;

B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;

C. To provide a safe, secure, healthful, and behaviorally focused living environment, which enhances the opportunity of the residents to reach their maximum level of functioning;

D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time, preventing or reducing acute psychiatric hospitalizations or long-term hospitalization;

E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community, as close to Monterey County as possible;

F. To provide high quality care and supervision at the lowest appropriate cost; and

G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

V. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit older adult patients referred by the COUNTY with a primary psychiatric diagnosis of severe mental illness, subject to bed availability, with

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order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

1) Dementia or OBS
2) Sub-acute psychiatric impairment and/or with severely impaired adaptive functioning
3) Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY or CONTRACTOR may grant individual exceptions to these admission criteria.

Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

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VIII. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

XI. EVALUATION & REPORTING REQUIREMENTS

A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.

B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Morton Bakar Center leadership that may occur during the term of this contract.

XII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1) Medical necessity;
2) Appropriateness of continued treatment;
3) Focus, level, intensity of care;
4) Outcome of treatment; and
5) Cost of treatment.

XIII. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

B. Participation in the Monterey Integrated System of Care Transformation Initiative

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Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions.

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Cost Reimbursement (CR) or Negotiated Rate (NR) up to the maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. REIMBURSEMENT FOR BASIC / STP SERVICES

Garfield Neurobehavioral Center / Morton Bakar Center

Under the terms of this Agreement, COUNTY shall reimburse the CONTRACTOR for services rendered as described in Exhibit A, which will be identified as the Enhanced Treatment Rate for clients who have Medi-Cal benefits.

For non-Medi-Cal clients, the fee will include the Enhanced Treatment Rate plus the current State Medi-Cal Rate for clients residing at this facility. COUNTY is additionally responsible for paying the cost of medications for non-benefited clients.

The Leave of Absence and Bed Hold rate will apply only when an existent client is transferred to a facility temporarily, for acute psychiatric inpatient care, due to return to the facility. Effective for dates of service on or after May 12, 2023, the rate reduction for Leave of Absence and Bed Hold for acute hospitalization is updated to $9.46 per diem and will conform to the State-approved Medi-Cal per diem rate as it varies annually. Rates are accessible through the Department of Health Care Services website at www.dhcs.ca.gov. CONTRACTOR will notify COUNTY in the event a client must be moved to an acute treatment facility and a bed hold needs to be made.

For the purposes of this Agreement, the term "bed day" includes beds held vacant for clients who are temporarily [not more than seven (7) days] absent from a facility. Agreement by both parties is required for bed holds of more than 7 days.

The Skilled Nursing Facility (SNF) program services will be paid in arrears at the Enhanced Treatment Rate as follows:

Fiscal Year / Period	Mode of Service	Service Function Code	Enhanced Treatment (ET) Rate	Estimated # of Bed Days per FY	Non-Medi-Cal Eligible Clients (Medi-Cal Rate + ET Patch) *	Estimated # of Bed Days per FY	Maximum Yearly Estimated Cost
July 1, 2025 to June 30, 2026	05	30-34	$323.86	365	$747.72	0	$118,209
GARFIELD NEUROBEHAVIORAL MAXIMUM COUNTY OBLIGATION:							$118,209

FY 2025-26 ET Rate plus estimated FY 2025-26 Medi-Cal Rate. Actual rate will be adjusted as State Medi-Cal rates are published.

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Fiscal Year / Period	Mode of Service	Service Function Code	Medi-Cal Eligible Clients 65 Years and Older	Estimated # of Bed Days per FY	Non-Medi-Cal Eligible / Medi-Cal Eligible Clients < 65 years *	Estimated # of Bed Days per FY	Maximum Yearly Estimated Cost
July 1, 2025 to June 30, 2026	05	30-34	$167.94	1,460	$460.25	365	$413,184
MORTON-BAKAR MAXIMUM COUNTY OBLIGATION:							$413,184

**** FY 2025-26 Medi-Cal Eligible ≥ 65 Rate plus FY 2025-26 Medi-Cal Rate. Actual rate will be adjusted as State Medi-Cal rates are published.***

IV. NEGOTIATED RATE: ESCORT SERVICES AND 1:1 ENHANCED SUPPORT AND SUPERVISION

Escort Services

Escort Services may be required for admissions, Conservatorship hearings, and/or discharge to a lower level of care.

1:1 Services - Enhanced Support and Supervision

CONTRACTOR will provide individual support and supervision with prior authorization from COUNTY Contract Monitor. Examples of individual support and supervision are:

- Stand by assistance for dialysis treatment, including bedside support during treatment and transport to and from treatment.
- Stand by assistance for chemotherapy treatment, including bedside support during treatment, and transport to and from treatment.
- Stand by assistance for physical therapy treatment, including support during therapy session, and transport to and from treatment.
- Individual support for clients diagnosed with Severe & Persistent Mental Illness (SPMI) and Intellectual Disabilities, that without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.
- Bereavement support for individuals attending funeral or memorial of a loved one, including transportation to and from services.

The following Escort and 1:1 Enhanced Support and Supervision services will be paid for actual client usage in arrears, not to exceed the listed rates, on a monthly basis for a maximum total amount not to exceed **$13,011 for FY 2025-26:**

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Fiscal Year / Period	Service Description	Estimated Units (Hours/Year)	Service Rate / Hour	Maximum Yearly Estimated Cost
July 1, 2025 to June 30, 2026	1:1 Services	250	$45.36	$11,340
	Escort Services	50	$33.42	$1,671
ESCORT / 1:1 SERVICES MAXIMUM COUNTY OBLIGATION:				$13,011

V. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall then submit such certified claim to the COUNTY Auditor. The COUNTY Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR

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to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

VI. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$544,404** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2025 to June 30, 2026	$544,404
TOTAL MAXIMUM COUNTY OBLIGATION:	**$544,404**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VII. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

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VIII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

IX. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	Telecare Corporation
	Business Name of Contractor
Signed by: Dawan Utecht D954F5E3834B421...	Dawan Utecht
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/31/2025 | 9:36 AM PDT	Senior Vice President/CDO
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	Telecare Corporation		
Name of Contractor's Designee	Dawan Utecht		
Title of Designee	Senior Vice President/CDO		
Street	1080 Marina Village Parkway, Suite 100		
City	Alameda	State CA	Zip 94501
IRS Employer Identification Number		94-1735271	

I certify that the above information is complete and correct to the best of my knowledge and belief.

Signed by: Dawan Utecht
D9545F38348424...

Signature of Contractor

Date 7/31/2025 | 9:36 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3-year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

	Telecare Corporation
	Contractor (Organization Name)
Signed by: Dawan Utecht D954F5E3834B421...	Dawan Utecht
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/31/2025 | 9:36 AM PDT	Senior Vice President/CDO
Date	Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and TELECARE CORPORATION ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

TELECARE CORPORATION
Attn: Dawan Utecht
Senior Vice President / Chief Development Officer
1080 Marina Village Pkwy, Ste. 100, Alameda, CA 94501
Phone: (510) 337-7950
Fax: (510) 337-7969
Email: dutecht@telecarecorp.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: Signed by: Dawan Utecht D954F5E3834B421...	By:
Print Name Dawan Utecht	Print Name: Elsa M. Jimenez
Print Title Senior Vice President/CDO	Print Title: Director of Health Services
Date: 7/31/2025 | 9:36 AM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	Telecare Corporation	Invoice Number :	
Address Line 1	1080 Marina Village Pkwy, Suite 100	County PO No. :	
Address Line 2	Alameda, CA 94501	Invoice Period :	
Tel. No.:	(510) 337-7950		
Fax No.:			
Contract Term:	July 1, 2025 - June 30, 2026	Final Invoice :	(Check if Yes)
BH Division :	Mental Health		BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2025-26	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Garfield Enhanced Treatment Rate			$323.86	365			0	365	100%	$ 118,209	$ -		$ -	$ 118,208.90	100%
Medi-Cal Rate + ET Patch			$747.72	0			0	0	#DIV/0!	$ -	$ -		$ -	$ -	#DIV/0!
Morton-Baker M-C Eligible 65 yr+			$167.94	1,460			0	1,460	100%	$ 245,192	$ -		$ -	$ 245,192.40	100%
Morton-Baker Non-M-C Eligibile/M-C Eligible <65			$460.25	365			0	365	100%	$ 167,991	$ -		$ -	$ 167,991.25	100%
1:1 Enhanced Services			$45.36	250			0	250	100%	$ 11,340			$ -	$11,340	100%
Escort Services			$33.42	50			0	50	100%	$ 1,671				$1,671	100%
TOTALS				2,490	0	0	0	2,490	100%	$544,404	0.00	0.00	0.00	$544,404	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: **MCHDBHFinance@countyofmonterey.gov**

Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____

Authorized Signatory Date

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **CF MERCED BEHAVIORAL, LLC DBA MERCED BEHAVIORAL CENTER** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short-Doyle Skilled Nursing Facility for psychiatric care of adults as an Institution for Mental Disease (IMD).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Jeri Allgood, Administrator
CF Merced Behavioral, LLC DBA Merced Behavioral Center
1255 "B" Street
Merced, CA 95340
(209) 723-8814
(209) 384-3747 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/6/2025 | 1:50 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 8/7/2025 | 12:07 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

CF MERCED BEHAVIORAL, LLC. DBA MERCED BEHAVIORAL CENTER
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: Jeri Allgood A57455CC2F7A4B5...
(Signature of Chair, President, or Vice-President) *

Jeri Allgood, Administrator
Name and Title

Date: 7/8/2025 | 2:37 PM PDT

By: DocuSigned by: Paulina Salazar AB1AA1982DBC461...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Paulina Salazar, CFO
Name and Title

Date: 7/8/2025 | 4:08 PM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: CF Merced Behavioral, LLC DBA Merced Behavioral Center

Service Address: 1255 "B" Street
Merced, CA 95340

Incorporation Status: Private, for profit, Corporation

Type of Facility: Skilled Nursing Facility / Institution of Mental Disease (IMD)

Type of License: Skilled Nursing Facility

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a locked skilled nursing level of care.

III. PROGRAM 1: MAIN HOUSING UNIT (MHU)

Treatment services of the MHU include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through patient assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:

   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:

   a) Behavior modification modalities;
   b) Re-motivation therapy;

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c) Patient government activities;
d) Group counseling;
e) Individual counseling;
f) Interpersonal Relationships. This shall include but not be limited to social counseling;
g) Educational and recreational training;
h) Social activities such as outings, dances, etc.;
i) Understanding of legal issues and court processes.

3. Pre-vocational Preparation Services. This shall include but not be limited to:

a) Homemaking;
b) Work activity;
c) Vocational counseling; work habits
d) Pre-release planning;
e) Out-of-home planning;
f) Linkage to medical services in the community as needed.

IV. PROGRAM 2: BEHAVIORAL TRANSITIONAL CARE UNIT (BTCU)

The Behavioral Transitional Care Unit (BTCU) at Merced Behavioral Center is a specialized unit designed to offer an elevated level of psychiatric care for conservatees, distinct from the Main Housing Unit (MHU), with advanced services for those conserved clients needing more intensive care and behavioral management.

A. Enhanced Services Compared to the MHU

The BTCU will provide more intensive care than the MHU, marked by a higher staffing ratio, increased monitoring frequency, and specialized treatment programs. The BTCU's treatment program will be exclusively tailored to the psychiatric needs of higher-acuity clients.

B. Staffing and Expertise

In contrast to the MHU, BTCU staff will be trained in MABPRO, a higher standard of training focused on managing more complex psychiatric behaviors. The BTCU will also see at least a 50% increase in counseling staff compared to the MHU, ensuring a more personalized care approach. The unit will also have a dedicated RN Supervisor, CNA Supervisor, Activities Assistant, and Special Treatment Program Manager. Lastly, the unit will also have its own psychiatrist (Dr. Soo Chun, MD) who has extensive experience with highly challenging residents.

C. Specialized Treatment Programs

While the MHU utilizes Cognitive Behavioral Therapy, the BTCU will primarily focus on Dialectical Behavioral Therapy, catering to the unique needs of our clients. This shift in therapeutic approach is designed to better manage the specific challenges faced by BTCU residents.

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D. Increased Frequency of Care

Residents in the BTCU will have access, if necessary, to more frequent psychiatric evaluations and therapy sessions compared to the monthly schedule in the MHU, as determined by the Interdisciplinary Team. This increased care frequency is vital for addressing the complex needs of BTCU residents.

E. Advanced Behavioral Monitoring

Monitoring in the BTCU will be more frequent than in the MHU, with checks every 30 minutes as opposed to every hour, and the flexibility to increase to every 15 minutes. This heightened observation is critical for managing severe behavioral issues.

F. Transition and Discharge Planning

The BTCU introduces a novel level system, allowing for gradual transition from higher to lower care levels, culminating in a hybrid stage with the MHU. This system is designed to provide a smoother transition compared to the standard practices in the MHU, as well as help identify the resident's readiness for a lower level of care before transitioning.

G. Collaboration with Monterey County Behavioral Health Services

Regular and detailed communication with the Monterey County Behavioral Health will be a priority in the BTCU, tailored to the needs and requests of the COUNTY Placement Team. This includes weekly and monthly reports, immediate notifications for any change in conditions, and updates to interdisciplinary team notes.

V. PROGRAM GOALS

A. To assist Monterey County Behavioral Health Bureau (MCBHB) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the client's psychiatric condition through medication management and program service.

C. To restore the client's level of functioning in the community to a lower level of care.

D. To increase the client's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of decompensation, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

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VI. PROGRAM PLAN & ORGANIZATIONAL CHART

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

VII. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VIII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. Individuals in need of 24-hour skilled nursing services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation or physical illnesses (without psychiatric component) shall not be considered for admission. All admissions are subject to the prior authorization from the COUNTY and CONTRACTOR's commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

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2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental illness, clients are unable to provide for their basic needs.

IX. DISCHARGE CRITERIA & PLANNING

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

X. TRANSFER TO ACUTE LEVEL OF CARE

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

XI. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR's State of California license.

XII. EVALUATION & REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the Contract Monitor.

XIII. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.

B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and

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5. Cost of treatment.

XIV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

XV. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B-1 is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. REIMBURSEMENT FOR BASIC AND SPECIAL TREATMENT PROGRAM (STP) SERVICES

The payment rate shall be a negotiated amount or up to the maximum per diem rate established by the State of California Department of Health Care Services for Medi-Cal Free-Standing Nursing Facilities Level B designated as Institutions of Mental Disease (IMD) for the "All Other Counties" region, based on the Accommodation Code 01 (60+ beds) rate published July 1, 2019, with 3.5% added for each subsequent fiscal year (FY). The Special Treatment Program (STP) Patch rate of $5.72 is added to the per diem rate. Effective for dates of service on or after January 1, 2024, the rate reduction for IMD leave of absence and bed hold for acute hospitalization is updated to $9.52 per diem. The State establishes these rates annually and they are accessible through the Department of Health Care Services website www.dhcs.ca.gov.

A. PAYMENT RATES

1. MAIN HOUSING UNIT SERVICES

The following services will be paid in arrears for the Main Housing Unit Program 1 at the maximum DHCS rate with patch of **$275.67** per unit for **FY 2025-26,** which includes a 10% daily supplemental administrative patch, for a total maximum of **$905,589** for the term of the Agreement.

MHU STATE DHCS RATE + AB 1054 3.5% + Standard Patch + 10% Admin Patch - FY 2025-26							
Fiscal Year	**Rate**	**Patch**	**Rate w/Patch**	**Admin 10% Daily Supplemental Patch**	**MHU Combined Daily Rate**	**Estimated Number of Units**	**Yearly Estimated Cost**
July 1, 2025 - June 30, 2026	$244.89	$5.72	$250.61	$25.06	$275.67	3285	$905,589
					TOTAL ESTIMATED COUNTY OBLIGATION:		**$905,589**

2. BEHAVIORAL TRANSITIONAL CARE UNIT SERVICES

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The following services will be paid in arrears for the Behavioral Transitional Care Unit Program 2 at the maximum annual MHU combined daily rate plus BTCU daily patch rate of **$445.00**, for a combined daily rate of **$720.67** per unit for **FY 2025-26,** for a total maximum of **$1,578,276** for the term of the Agreement.

BEHAVIORAL TRANSITIONAL CARE UNIT - FY 2025-26					
Fiscal Year	**MHU Daily Base Rate**	**BTCU Daily Patch Rate**	**BTCU Combined Daily Rate**	**Estimated Number of Units**	**Yearly Estimated Cost**
July 1, 2025 - June 30, 2026	$275.67	$445.00	$720.67	2190	$1,578,276
			TOTAL ESTIMATED COUNTY OBLIGATION:		**$1,578,276**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on the Cost Reimbursement Invoice Form provided as Exhibit G-1 to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G-1, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.

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C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY:

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$2,483,865** for services rendered under this Agreement.

B. Maximum Annual Liability

FISCAL YEAR	AMOUNT
July 1, 2025 - June 30, 2026	$2,483,865
TOTAL AGREEMENT MAXIMUM LIABILITY:	**$2,483,865**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

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E. As an exception to Section E. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to

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implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	CF Merced Behavioral, LLC DBA Merced Behavioral Center
	Business Name of Contractor
DocuSigned by: Jeri Allgood A5745ECC9F7A4F5...	Jeri Allgood
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/8/2025 | 2:37 PM PDT	Administrator
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	CF Merced Behavioral, LLC DBA Merced Behavioral Center	
Name of Contractor's Designee	Jeri Allgood	
Title of Designee	Administrator	
Street 1255 "B" Street		
City Merced	State CA	Zip 95340
IRS Employer Identification Number	20-8026800	

I certify that the above information is complete and correct to the best of my knowledge and belief.

DocuSigned by: Jeri Allgood A57455OC2F7A4B5...

Signature of Contractor

Date 7/8/2025 | 2:37 PM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.

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- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

CF Merced Behavioral, LLC DBA Merced Behavioral Center

Contractor (Organization Name)

DocuSigned by:
Jeri Allgood
A57455CC2E7A4B5...

Signature of Authorized Representative

Jeri Allgood

Name of Authorized Representative (*printed*)

7/8/2025 | 2:37 PM PDT

Date

Administrator

Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and CF MERCED BEHAVIORAL, LLC DBA MERCED BEHAVIORAL CENTER ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

CF Merced Behavioral, LLC DBA Merced Behavioral Center
Attn: Jeri Allgood, MSW - Administrator
1255 "B" Street
Merced, CA 95340
Phone: (209) 723-8814
Fax: (209) 384-3747
Email: jeri.allgood@mercedbehavioral.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Jeri Allgood A57455CC2E7A4B5...	By:
Print Name Jeri Allgood, MSW	Print Name: Elsa M. Jimenez, MPH
Print Title Administrator	Print Title: Director of Health Services
Date: 7/8/2025 | 2:37 PM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	CF Merced Behavioral, LLC DBA Merced Behavioral Health Center	Invoice Number :	
Address Line 1	1255 "B" Street	County PO No. :	
Address Line 2	Merced, CA 95340	Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:	July 1, 2025 to June 30, 2026	Final Invoice :	(Check if Yes)
BH Division :	Mental Health Services		BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2024-25	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
MHU IMD w/Patch Bed Days	5	36	$275.67	3,285			0	3,285	100%	$ 905,589	$ -		$ -	$ 905,589.16	100%
Bed Hold Days	5	36					0	0	#DIV/0!	$ -	$ -		$ -	$ -	#DIV/0!
BTCU Bed Days	5	36	$720.67	2,190			0	2,190	100%	$ 1,578,276	$ -		$ -	$ 1,578,276.11	100%
TOTALS				5,475	0	0	0	5,475	100%	$2,483,865	0.00	0.00	0.00	$2,483,865	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov

Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____

Authorized Signatory Date

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **MICHIGAN HOUSE, INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Michigan House, Inc. is a short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: BUDGET AND EXPENDITURE REPORT
EXHIBIT I: AUDITS AND AUDIT APPEALS
EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **February 12, 2025** and shall remain in effect until **June 30, 2026**.

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B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement

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coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

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5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. ICD-10

1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

VIII. PROGRAM INTEGRITY

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A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

    a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

    b. A history of loss of license or felony convictions;

    c. A history of loss or limitation of privileges or disciplinary activity;

    d. A lack of present illegal drug use; and

    e. The application's accuracy and completeness

5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.

6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.

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7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.

C. SCREENING AND ENROLLMENT REQUIREMENTS

1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))

2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))

3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

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X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

   b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

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XI. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).

D. Continuity of Care

CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

E. Network Adequacy

1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).

2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.

3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.

4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

F. Practice Guidelines

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1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

   a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

   b. They consider the needs of the clients;

   c. They are adopted in consultation with contracting health care professionals; and

   d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

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2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

    a. Complete written description of event including outcome;

    b. Written report of CONTRACTOR's investigation and conclusions;

    c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

J. Client Informing Materials

1. Basic Information Requirements

    a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.

    b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

    c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.

    d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3)).

    e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:

        i. The format is readily accessible;

        ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

        iii. The information is provided in an electronic form which can be electronically retained and printed;

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iv. The information is consistent with the content and language requirements of this agreement;

v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

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iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

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iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

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XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall

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accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer

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authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services

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rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XVI. BUDGET

CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of

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grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

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D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable

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notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;

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2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement.

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Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the

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terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY	**CONTRACTOR**
Melanie Rhodes Behavioral Health Bureau Chief 1270 Natividad Road Salinas, CA 93906 (831) 755-4580	Garnett Fountain Michigan House, Inc. 1617 W. Shaw Ave., Suite B Fresno, CA 93711 (559) 347-8197

(The remainder of this page is left intentionally blank)

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 8/4/2025

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EE64E57454E6...
Auditor-Controller's Office

Date: 8/5/2025

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

MICHIGAN HOUSE, INC.
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: Garnett Fountain 4B6B3D43D7714E7...
(Signature of Chair, President, or Vice-President) *

GARNETT FOUNTAIN, ADMINISTRATOR, CEO, FOUNDER
Name and Title

Date: 8/4/2025

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

_____
Name and Title

Date: _____

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

Michigan House, Inc.
1617 W. Shaw Avenue, Suite B
Fresno, CA 93711
Phone: (559) 347-8197

II. PROGRAM GOALS AND OBJECTIVES

A. PROGRAM NARRATIVE

CONTRACTOR is licensed by the California State Department of Social Services as a Short-Term Residential Therapeutic Program (STRTP) and maintains Mental Health Program Approval and Medi-Cal certification to provide an integrated program of specialized and intensive care, services and supports, specialty mental health services, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The STRTP is intended for children whose behavioral and therapeutic needs are not able to be met in a home-based family setting, even with the provision of supportive services, and who require the level of supervision and clinical interventions provided by a STRTP.

Children and youth requiring STRTP care need a multi-faceted approach of care. It is expected that services will be provided within the context and implementation of the Integrated Core Practice Model (ICPM) as outlined in the Katie A. Settlement. The ICPM is a comprehensive model for serving children and youth in need. The ICPM Guide publication in the Medi-Cal Manual available through the Department of Health Care Services defines the ICPM as, "a set of practices and principles that promotes a set of values shared by all who seek to support children, youth, and families involved in child-serving agencies including, but not limited to, the child welfare system, special education, probation, drug and alcohol, and other health and human services agencies or legal systems with which the child or youth is involved".

B. PROGRAM GOALS

a. Provide trauma-informed therapeutic interventions and integrated programming designated to treat and ameliorate the behavioral health symptoms and improve functioning.
b. Provide a range of services, of varying intensity, tailored to the individual needs of the child, which can be adjusted during his or her stay in the program as they are meeting goals and improving functioning.
c. Provide mental health interventions so that children and adolescents may move to less restrictive/intensive treatment settings.
d. Child/youth develop effective problem-solving and coping skills to resolve behavioral and emotional problems, improving relationships, and overall functioning.

C. PROGRAM OBJECTIVES

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a. CONTRACTOR shall provide residential and specialty mental health services to eligible Monterey County youth.
   i. Client meets the STRTP Placement Criteria pursuant to WIC sections 4096 and 11462.01.
   ii. Treatment will be available to every client according to their specific needs and prescribed in a manner consistent with their treatment plans. Psychotropic medication will be made available through psychiatric consultation and routinely monitored.
   iii. Services will be strength-based, individualized, and will consider each client's age and appropriate developmental needs, maturational level, culture, language, family values and structure, educational functioning level, and physical health.
   iv. Service provision meets medical necessity criteria (Title 9, California Code of Regulations (CCR), Ch. 11, Sections 1830.205 and 1830.210) as indicated in the Case Plan to meet individual goal
   v. Services shall be appropriate for the needs of youth involved in the Child Welfare and/or Juvenile Justice systems; trauma exposed; the Lesbian, Gay, Bisexual, Trans-gender, Queer and/or Questioning (LGBTQ); and Special Education communities.

b. CONTRACTOR will receive referrals/approvals only through the COUNTY Inter-Agency Placement Committee (IPC) or Court Order. All referrals for services will be assessed for eligibility according to the following criteria:
   i. Evidence of symptoms of a mental health problem which meet the criteria for DSM 5 or the 10th revision of the international Statistical Classification of Disease and Related Health Problems (ICD-10) diagnosis as an included diagnosis in Title 9, CCR, Ch. 11, Section 1830.205
   ii. Evidence of impaired functioning in one or more of the areas of self-care, danger to harm self, behavior towards others, family functioning, school performance, moods/emotions, substance use, and/or cultural adjustment.

c. CONTRACTOR shall maintain staffing requirement:
   i. Staff meet the minimum licensing requirements as set forth in CCR Title 9, Title 19, Title 22, and Medi-Cal regulations
   ii. Psychiatric services will be available to support clients ages 6-18 and the ability to provide treatment to clients with co-occurring disorders as part of the service continuum.
   iii. Staff shall be appropriately trained and meet the qualifications of the Licenses Practitioner of the Healing Arts (LPHA) as well as meet discipline specific relevant State and local building and safety requirements.
   iv. Provide ongoing clinical supervision to practitioners involved in direct service to clients.
   v. Services shall be culturally and linguistically appropriate for the target population. At a minimum. Services shall be made available in the two (2) threshold languages (English and Spanish).

d. CONTRACTOR shall coordinate care planning efforts with other child-serving agencies and institutions involved in delivering services to the child and family to ensure comprehensive and consistent care.

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e. CONTRACTOR shall utilize the Child and Adolescent Needs and Strengths (CANS) assessment tool
   i. The CONTRACTOR will adhere to the Monterey County Behavioral Health CANS/ANSA/PSC-35 policy: https://www.co.monterey.ca.us/home/showdocument?id=87702
   ii. CANS will be administered as appropriate to clients to support decision making and treatment planning, facilitate quality improvement, and monitor the outcomes of services.
   iii. CONTRACTOR is responsible for training, certifying, and annually recertifying their staff on the CANS Comprehensive 5+. In addition, if the CONTRACTOR provides services to children ages 0-5, the CONTRACTOR is responsible for training, certifying, and annually re-certifying their staff on the CANS: Early Childhood.
   iv. CONTRACTOR shall maintain staff as CANS Trainers to ensure sustainability and that CANS principles and philosophy are integrated into clinical practice.
   v. CONTRACTOR will establish an online account with Pared Foundation to access online CANS trainings and certification and set goals towards transitioning back to lower level of care.

f. CONTRACTOR shall use the Child and Family Team (CFT) process to identify team members, client needs and services and set goals toward transitioning back to lower level of care.
   i. A CFT is a highly facilitated process, and it is only a CFT meeting if decisions about goals and strategies to achieve them are made with involvement of the child and family members.
   ii. After January 1, 2017, a child or youth is required to have a CFT within the first sixty (60) days of entering into the child welfare or probation foster care placement. As defined in Welfare and Institutions Code (WIC), Section 16501, a CFT is also required for those children and youth residing in a group home or STRTP placement with an existing Case Plan. Best practice dictates that meetings should occur as soon as possible for purposes, including but not limited to, case planning, placement determination, emancipation planning and/or safety planning. The CONTRACTOR providing mental health services to children in the child welfare or probation system may participate in the CFT.
   iii. CONTRACTOR shall provide client progress for the CFT to determine appropriate or ongoing placement, if necessary.
   iv. The CONTRACTOR will make CANS data available for the CFT to determine appropriate or ongoing placement, if necessary.

g. The CONTRACTOR shall follow guidelines when the client is transitioning to a new program or lower level of placement.
   i. Coordinate with the new provider to assure understanding of client's strengths, needs, supports, and goals.
   ii. Provide copies of Care Plan, Narrative Summary, and Assessment information to the new provider.
   iii. Provide notification to COUNTY of any hospitalization.

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D. OUTCOME OBJECTIVES

A. Reduce the level of functional impairment of child or youth
   a. Data Source: CANS Data

B. Reduce Hospitalizations
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report the number of clients in placement who have been hospitalized.

C. Timely return to lower level of care
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report length of stay and successful program completions with at least 80% of admissions

E. TREATMENT SERVICES

A. Mode of Service: Outpatient

B. Contracted units of services by service type:
Contractor is Medi-Cal certified to provide the following Specialty Mental Health Services, as medically necessary for up to **three (3)** youth for fiscal year (FY) 24-25 and **five (5)** youth fiscal year (FY) 25-26. A Unit of Service (UOS) is per minute:

Fiscal Year (FY) 2024-2025

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60	8,360
Mental Health Rehab Specialist			9,240
Total Units			**17,600**

Fiscal Year (FY) 2025-2026

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
Psychiatrist/Contracted Psychiatrist	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)			45,600
Mental Health Rehab Specialist			50,400
Total Units			**106,000**

Services shall be coded under Avatar program Name/Code

	Address	Code
House #1	**1224 E. Michigan Ave, Fresno, CA 93704**	**TBD**
House #2	**1209 S. Hughes Street, Fresno, CA 93706**	**TBD**

There is no limitation on the mix of units of service other than the maximum contract dollar amount found in Exhibit B of this contract.

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D. Delivery Sites(s):
The CONTRACTOR'S services described hereunder shall be provided in a licensed STRTP site(s). CONTRACTOR shall not place children at a service delivery site not listed.

Site	Address
House #1	**1224 E. Michigan Ave, Fresno, CA 93704**
House #2	**1609 S. Hughes Street, Fresno, CA 93706**

E. Hours of Operation:
The STRTP will operate a twenty-four (24) hours per day, (7) days per week residential program, and offer specialty mental health services seven (7) days per week.

F. TARGET POPULATION

Monterey County children/youth who are full scope Medi-Cal eligible and have been screened through the County IPC or by Court Order. The current Agreement is for the **three (3)** eligible residents for Fiscal Year 2024-2025 and **five (5)** eligible residents for Fiscal Year 2025-2026 of Monterey County. Any additional eligible residents of Monterey County referred to the program will require an amendment to this Agreement.

Fiscal Year (FY)	Number of Placements per FY
2024-2025	3
2025-2026	5

G. FINANCIAL ELIGIBILITY

All eligible full-scope Medi-Cal Monterey County Residents who have been authorized and referred by the Monterey County Behavioral Health (MCBH) Case Manager. The Case Manager will ensure full scope Medi-Cal has been established and verified prior to the referral. Full scope Medi-Cal eligibility will be determined by Medi-Cal aid code as defined in Title XXI of the Social Security Act and the State Department of Mental Health latest Aid Codes Master Chart. The Chart can be found at the following web URL: https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx.
The contractor must monitor referrals and verify Medi-Cal eligibility for each client referred by checking on the website: https://www.medi-cal.ca.gov/MCWebPub/Login.aspx#. Any discrepancies of Medi-Cal eligibility must be communicated immediately to the Contract Monitor and resolved. Services provided to non-Medi-Cal eligible children will not be reimbursed to contractor unless the Deputy Director of Behavioral Health has approved for these services in writing.

H. LIMITATION OF SERVICE/PRIOR AUTHORIZATION

A. Referral for Admission:
Regular referrals of admission to this program will be initiated exclusively by screening and approval by an Interagency Placement Committee (IPC). Admission to the program

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will involve youth who are voluntary participants or who are wards or dependents of the court. Screening criteria will be based on degree of emotional disturbance, a designated funding source, and the inability to utilize a less restrictive placement. Admission will be the sole authority of the CONTRACTOR.

B. Emergency Placement Admission:
CONTRACTOR may admit children and youth into the program under emergency placement determination by placing Agency. CONTRACTOR shall provide comprehensive mental health assessments for Medi-Cal to determine if they meet medical necessity for SMHS and to determine if the individual meets criteria for STRTP placement within 72 hours of placement. CONTRACTOR shall notify County of placement and request IPC review and approval. County will notify CONTRACATOR of placement determination. If the IPC determines at any time that the placement, including an emergency placement, is not appropriate, it shall transmit the disapproval in writing to the CONTRACTOR.

C. Service Authorization
Mental Health services including Therapeutic Behavioral Services, require prior authorization. Medication support, beyond two visits per month, requires prior authorization. The contracted duration of treatment is limited to one year; any extension requires consultation with the MCBH Case Manager and approval of the Contract Monitor.

I. CLIENT DESCRIPTION/CHARACTERISTICS

The population served are children/youth with one or all of the following and are unsuccessful in stabilizing at a lower level of care.

A. Severe acting out episodes
B. History of self-destructive behavior
C. Catastrophic reactions to everyday occurrences and/or
D. History of inpatient hospitalization

Individuals served meet the following criteria for medical necessity (diagnostic, impairment, and intervention related):

A. Diagnostic Criteria:
The focus of the service should be directed to functional impairments related to an Included Diagnosis.

B. Impairment Criteria:
The client must have at least one of the following as result of the mental disorder(s) identified in the Diagnostic Criteria (A):

1. A significant impairment in an important area of life functioning, or
2. A probability of significant deterioration in an important area of life functioning, or
3. Children also quality if there is a probability that the child will not progress developmentally as individually appropriate. Children covered under EPSDT qualify if they have a mental disorder that can be corrected or ameliorated.

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C. Intervention Related Criteria (must have all three):
1. The focus of the proposed intervention is to address the condition identified in impairment criteria (B) above, and
2. It is expected the proposed intervention will benefit the consumer by significantly diminishing the impairment, or preventing significant deterioration in an important area of life functioning; and/or for children it is probably the child will be enabled to progress developmentally as individually appropriate (or if covered by EPSDT), the identified condition can be corrected or ameliorated),
3. The condition would not be responsive to physical healthcare-based treatment.

J. LEGAL STATUS

Voluntary or juvenile dependents and wards (W&I Code, Sections 300 et seq. and Sections 601 and 602 et seq.)

K. COVERAGE

Mental Health Services and Medical Support will be as designated on the service plan.

L. REPORTING REQUIREMENTS

A. CONTRACTOR shall complete the CANS for children/youth ages 6 through 18, and the Pediatric Symptom Checklist (PSC-35) for children ages 3 through 18 at the start of treatment, and complete a reassessment every 6 months, and at time of discharge. CONTRACTOR shall submit progress made on mental health goals as measured by CANS and PSC-35 no later than the last day of the following service month.
B. CONTRACTOR will submit reports on the following outcomes data no later than thirty (30) days following the end of each quarter to the COUNTY Designated Contract Monitor:
   a. Total number of children/youths served
   b. Number of CFT meetings attended per quarter
   c. Number of children/youths who have returned to lower levels of care
   d. Report on each Outcome Objective in Section III.

M. DESIGNATED CONTRACT MONITOR

Liz Perez-Cordero, Psy. D.
Behavioral Health Services Manager II
Monterey County Behavioral Health Bureau
Salinas, CA 93901

(831) 755-8430

III. SERVICE PROVISIONS

A. Certification of Eligibility

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CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS under Medi-Cal.

B. Access to Specialty Mental Health Services

1. In collaboration with the COUNTY, Contractor will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (a) or (b) below. If a client under age 21 meets the criteria as described in (a) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (b) below.

   a. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

   b. The client has at least one of the following:

      a. A significant impairment,

      b. A reasonable probability of significant deterioration in an important area of life functioning,

      c. A reasonable probability of not progressing developmentally as appropriate, or

      d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

      e. The client's condition listed above is due to one of the following:

         a. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

         b. A suspected mental health disorder that has not yet been diagnosed.

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c. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (a) and (b) below:

a. The client has one or both of the following:

i. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

ii. A reasonable probability of significant deterioration in an important area of life functioning.

b. The client's condition as described in paragraph (a) is due to either of the following:

i. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

ii. A suspected mental disorder that has not yet been diagnosed.

C. Additional Clarifications

1. Criteria

a. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:

i. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
ii. The service was not included in an individual treatment plan; or

iii. The client had a co-occurring substance use disorder.

2. Diagnosis Not a Prerequisite

a. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

D. Medical Necessity

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1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.

2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

E. Coordination or Care

1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.

2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.

3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

F. Co-Occurring Treatment and No Wrong Door

1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic

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relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.

2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

   a. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.

   b. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

IV. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. Services Authorization

1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.

2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.

3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.

4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.

5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

B. Documentation Requirements

1. CONTRACTOR will follow all documentation requirements as specified in Article 4.2-4.8 inclusive in compliance with federal, state and COUNTY requirements.

2. All CONTRACTOR documentation shall be accurate, complete, and legible, shall list each date of service, and include the face-to-face time for each service. CONTRACTOR shall document travel and documentation time for each service separately from face-to-face time and provide this information to COUNTY upon

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request. Services must be identified as provided in-person, by telephone, or by telehealth.

3. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

C. Assessment

1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.

2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.

3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.

4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

D. Problem List

1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.

3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.

4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.

5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a

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problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

E. Treatment and Care Plans

1. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

F. Progress Notes

1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.

4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.

5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

G. Transition of Care Tool

1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.

2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.

3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at: https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided

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form. The only exception to this requirement is when the tool is translated into languages other than English.

H. Telehealth

1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

   https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

V. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events

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- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Provisional Rates

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

PROVISIONAL RATE: NEGOTIATED RATE

CONTRACTOR shall be reimbursed the following negotiated rates for services. Rendering Staff Type shall provide services according to the Monterey County Behavioral Health Specialty Mental Health Services Documentation Manual, Scope of Practice.

CONTRACTOR may exceed units by clinician within a program or total contract as long as the annual program not-to-exceed (NTE) or annual maximum County obligation is not exceeded.

The following program services will be paid for actual usage in arrears, not to exceed the negotiated rates for a total amount not to exceed **$481,252** *(rounded to the nearest dollar)* for **FY 2024-2026***)*:

Fiscal Year (FY) 2024-25 ***(2 placements)***					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
Psychiatrist/Contracted Psychiatrist	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	0	$7.80	$0
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)			8,360	$4.08	$34,109
Mental Health Rehab Specialist			9,240	$3.07	$28,367
Total Maximum Amount FY 2024-25					**$62,476**

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Fiscal Year (FY) 2025-26 *(4 placements)*					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
Psychiatrist/Contracted Psychiatrist	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000	$7.80	$78,000
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)			45,600	$4.08	$186,048
Mental Health Rehab Specialist			50,400	$3.07	$154,728
Total Maximum Amount FY 2025-26					**$418,776**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Rate, which is based on the most recent State's Medi-Cal Behavioral Health Service Fee Schedules established by the State's Department of Health Care Services. In no case shall payments to CONTRACTOR exceed County's Maximum Rates. In addition to the rate limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program

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responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Behavioral Health Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Behavioral Health Invoice Form in Excel format with electronic signature along with supporting documentation, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

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H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$481,252** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
September 3, 2024 to June 30, 2025	$62,476
July 1, 2025 to June 30, 2026	$418,776
TOTAL MAXIMUM COUNTY OBLIGATION:	**$481,252**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

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VI. BILLING AND PAYMENT LIMITATIONS

B. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

C. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H and 2 C.F.R. § 230. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

D. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line-item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

E. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

F. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

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B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services are submitted by CONTRACTOR to COUNTY.
CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in undertaking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal claims or other State required claims data within the thirty (30) calendar daytime frame(s) as prescribed

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by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section II (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

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K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Health Care Services guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third-party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated fee for service program revenue, under this Agreement, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) showing all such non-reported revenue.

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2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. AUTHORITY TO ACT FOR THE COUNTY

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The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C:
CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

DocuSigned by:
Garnett Fountain
4B6B3D43D7714E7...
Signature of Authorized Representative

8/4/2025
Date

MICHIGAN HOUSE, INC.
Business Name of Contractor

GARNETT FOUNTAIN
Name of Authorized Representative (printed)

ADMINISTRATOR, CEO, FOUNDER
Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons.

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Name	MICHIGAN HOUSE, INC	
Name of Designee	Garnett Fountain	
Title of Designee	Administrator, CEO, Founder	
Street: 1617 W Shaw Avenue, Suite B		
City: Fresno	State: CA	Zip: 93771
IRS Employer Identification Number	77-0242299	

I certify that the above information is complete and correct to the best of my knowledge and belief.

DocuSigned by:
Garnett Fountain
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CEO / Administrator

Signature & Title of Contractor

Date 8/4/2025 /_____/_____

EXHIBIT E:
ASSURANCE OF COMPLIANCE WITH

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MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.
(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.
(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.
(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.
(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

MICHIGAN HOUSE, INC.
Contractor (Organization Name)

DocuSigned by:
Garnett Fountain
4B6B3D43D7714E7...
Signature of Authorized Representative

GARNETT FOUNTAIN
Name of Authorized Representative

8/4/2025
Date

ADMINISTRATOR, CEO, FOUNDER
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective **February 12, 2025** ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and **MICHIGAN HOUSE, INC.** ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R.

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§ 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504I(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504I(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504I(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been

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breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410I, which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non- permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may

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include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

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(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 <u>Business Associate Acknowledgment</u>.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de- identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

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(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504I(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and

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(v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Michigan House, Inc.
Attn: Garnett Fountain
1617 W. Shaw Ave, Suite B
Fresno, CA 93711
Phone: (559) 347-8197

If to Covered Entity, to:

County of Monterey Health Department Attn:
Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

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5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

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Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

I. BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Garnett Fountain 4B6B3D43D7714E7...	By:
Print Name: **Garnett Fountain**	Print Name: **Elsa M. Jimenez**
Print Title: Administrator, CEO, Founder	Print Title: Director of Health Services
Date: 8/4/2025	Date:

January, 2024

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EXHIBIT G: Behavioral Health Invoice Form

		Invoice Number :	
Contractor :			
Address Line 1		**County PO No.:**	
Address Line 2			
		Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:		**Final Invoice :**	(Check if Yes)
BH Division :	Mental Health Services	BH Control Number	

Payment Provisions	Total Maximum Amount FY 2023-24	Dollar Amount Requested this Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
				$ -	
				$ -	
				$ -	
TOTALS	$ -	$ -	$ -	$ -	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to:	MCHDBHFinance@countyofmonterey.gov	Behavioral Health Authorization for Payment	
		Authorized Signatory	Date

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EXHIBIT H: BUDGET AND EXPENDITURE REPORT

CONTRACTOR'S NAME

BUDGET AND EXPENDITURE REPORT

For Monterey County - Behavioral Health

Fiscal Year _____

Program Name: _____ **AVATAR Program(s):** _____

Unduplicated Number of Clients Served: _____ **Address:** _____

Service Description	Mode of Service	Service Function Code	Total Units of Service	Amount Due from the COUNTY	Estimated Medi-Cal Units of Service		Estimated Federal Financial Participation (FFP) Revenue
							$ -
				Approved Budget		Actual for 6 Months	Actual Year-to-Date
A. PROGRAM REVENUES							
Monterey County Funds (Monterey County's Use):							
	Provisional Rates						
	Estimated Federal Financial Participation (FFP)			$ -			
	Cash Flow Advances						
						$ -	
Total Requested Monterey County Funds						$ -	$ -
Other Program Revenues							
TOTAL PROGRAM REVENUES (equals Allowable Costs)				$ -		$ -	$ -
	B. ALLOWABLE COSTS - Allowable expenditures for the care and services of placed Monterey County clients allocated in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories list. CONTRACTOR is expected to be able to identify direct and indirect costs directly from its financial statements.						
	I. Direct Cost Centers - a direct cost, as defined in OMB A-87, is a cost that can be identified specifically with a particular final cost objective.						
	A. Mode Costs (Direct Services)			Approved Budget		Actual for 6 Months	Actual Year-to-Date
1	Salaries and wages (please fill out Supplemental Schedule of Salaries and Wages)						

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2	Payroll taxes				
3	Employee benefits				
4	Workers Compensation				
5	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)				
6	Temporary Staffing				
7	Flexible Client Spending (please provide supporting documents)				
8	Travel (costs incurred to carry out the program)				
9	Employee Travel and Conference				
10	Communication Costs				
11	Utilities				
12	Cleaning and Janitorial				
13	Maintenance and Repairs - Buildings				

		Approved Budget	Actual for 6 Months	Actual Year-to-Date
14	Maintenance and Repairs - Equipment			
15	Printing and Publications			
16	Memberships, Subscriptions and Dues			
17	Office Supplies			
18	Postage and Mailing			
19	Medical Records			
20	Data Processing			
21	Rent and Leases - equipment			
22	Rent and Leases - building and improvements (please identify the property address and method of cost allocation)			
23	Taxes and assessments (Please identify the property address and method of cost allocation)			
24	Interest in Other Long-term debts (please identify the property address and method of cost allocation)			
25	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County and must meet the criteria of a direct cost)			
26	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
27	Miscellaneous (please provide details)			
28	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
29	**Total Mode Costs**	**$ -**	**$ -**	**$ -**
	B. Administrative Costs - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided.			

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30	Salaries and Benefits			
31	Supplies			
32	Others - please provide details. Expense must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.			
33	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
34	**Total Administrative Costs**	**$ -**	**$ -**	**$ -**
35	**TOTAL DIRECT COSTS**	**$ -**	**$ -**	**$ -**

II Indirect Cost Centers - include all costs that are incurred for a common or joint purpose benefitting more than one final cost objective, that are not readily assignable to the cost objective specifically benefitted without effort disproportionate to the results achieved. The indirect cost centers correspond directly with the expense accounts defined in the Accounting Standards and Procedures for Counties, which is published by the California State Controller's Office.

	INDIRECT COSTS	**Approved Budget**	**Actual for 6 Months**	**Actual Year-to-Date**
36	Equipment (purchase price of less than $5000)			
37	Rent and Leases - equipment			
38	Rent and Leases - building and improvements			
39	Taxes and assessments			
40	Insurance and Indemnity			
41	Maintenance - equipment			
42	Maintenance - building and improvements			
43	Utilities			
44	Household Expenses			
45	Interest in Bonds			
46	Interest in Other Long-term debts			
47	Other interest and finance charges			
		Approved Budget	**Actual for 6 Months**	**Actual Year-to-Date**
48	Contracts Administration			
49	Legal and Accounting (when required for the administration of the County Programs)			
50	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
51	Data Processing			
52	Personnel Administration			
53	Medical Records			
54	Other Professional and Specialized Services			
55	Transportation and Travel			
56	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			
57	**Total Indirect costs**	**$ -**	**$ -**	**$ -**

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63 Total Allowable Costs		$ -	$ -	$ -
COST REPORT INFORMATION:				
64	Land			
65	Buildings and Improvements			
66	Equipment (purchase price of $5000 or more)			
67	Total	0		

We hereby certify to the best of our knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature **Date** **Finance Director's Signature** **Date**

Supplemental Schedule of Salaries and Wages - Mode Cost (Direct Services)

TITLE OF POSITION	Annual Salary/Wage	FTE (Full Time Employee)	TOTAL
Sample: Social Worker	$ 45,000	0.75	$ 33,750
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
Total Salaries and Wages			$ -

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EXHIBIT I: AUDITS AND AUDIT APPEALS

I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

   1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

   2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

   3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

   1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Notwithstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

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2. Deducted from future claims over a period not to exceed six (6) months;

3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

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EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

Purpose: Demonstrate CONTRACTOR's telehealth compliance with federal & state telehealth laws

A. **Federal Telehealth Law**

There are no specific federal laws governing the delivery of telehealth related to compliance, but there are numerous laws requiring telehealth reimbursement parity with face-to-face services. However, in parity with on-ground mental health services, Telehealth 'covered entities' are required to uphold federally-established HIPAA regulations according to the Health Insurance Portability and Accountability Act of 1996.

HIPAA Regulations: In addition to standard operations, HIPAA security guidelines for the electronic delivery of telehealth services have been established by HITECH (Health Information Technology for Economic and Clinical Health) as part of the American Recovery and Reinvestment Act of 2009 (ARRA). Specifically, CONTRACTOR Telehealth technologies and operational standards conform to HITECH guidelines for HIPAA compliance through:

1. **Technology Security**
   a. IETF-standard Secure Sockets Layer (SSL) and Transport Layer Security (TLS) protocols are used to protect all communication between endpoints. To provide maximum protection against eavesdropping, modification, or replay attacks, the only SSL cipher suite supported for non-Web-site TCP connections is 1024-bit RSA with 128-bit AES-CBC and HMAC-SHA1
   b. End-to-end 128 bit encryption that protects both ends of the connection
   c. Multi-layer cryptography, server, certificate, and user authentication prevent unauthorized access
2. **Role-based Security Features**

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a. Platform user permissions are centrally assigned to approved providers by the CONTRACTOR's Director of Operations only (controlled access to platform)

b. Each session has a uniquely coded session ID that is not reusable

c. No one else can enter the session uninvited (including staff members)

3. **Security Monitoring**

a. occurs simultaneously on three levels, 1) CONTRACTOR Provider; 2) Facility; and 3) Behavioral Health

b. Provider has on-screen monitoring tools to see who is connected to the session at all times

c. Facility and BH monitors daily activity plus comprehensive data logs to ensure appropriate, secure use of system

d. CONTRACTOR Data Centers are physically guarded and continually monitored for security and performance, guarding against cyber attacks

4. **Information Access**

a. Communications and user identities are NEVER visible to any third party

b. User logs and activity is not visible to anyone but the CONTRACTOR Director of Operations

c. Sessions are not recorded

d. Contingency and Emergency Operations Plan

5. **Stringent Policies and Procedures**

a. Extensive training plus CONTRACTOR policies and procedures for clinicians governing use of the platform, their behavior online, and how they access and manage client information.

b. We also work closely with clients to ensure their compliance to HIPAA confidentiality measures (such as confirming no one can overhear their session, confirming they are in a secure and private location, etc.

B. **California Telehealth Law**

California was one of the earliest adopters of a state telehealth policy with the passing of The Telemedicine Development Act of 1996, which established a legal requirement to recognize telehealth services as equivalent to face to face services, and for such services to be reimbursable by both Medi-Cal and Medicare, as well as commercial insurers.

Current and relevant CA telehealth codes/laws include:

• **Cal. Health & Safety Code § 1374.13. (c)** - On and after January 1, 1997, no health care service plan contract that is issued, amended, or renewed shall require face-to-face contact between a health care provider and a patient for services appropriately provided through telemedicine, subject to all terms and conditions of the contract agreed upon between the enrollee or subscriber and the plan.

• **Cal. Health & Safety Code § 14132.72. (a)** - It is the intent of the Legislature to recognize the practice of telemedicine as a legitimate means by which an individual may receive medical services from a health care provider without person-to-person contact with the provider.

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• **AB 415 (2012)** – Was passed to facilitate the advancement of telehealth as way of providing health services. The law established that telehealth services may consist of a real-time (synchronous) interaction between a patient and a health care provider located at a distant site or may involve the transmission of a patient's medical information from patient's site to a distant site without the presence of the patient ("asynchronous store and forward"). The law also affirmed that the use of telehealth includes allied health professions such as mental health practitioners. (See Cal. Bus. & Prof. Code § 2290.5).

• **AB 809 (2015)** - Provided that informed consent for telehealth services may be verbal only, although USCTH still obtains written consent and acknowledgement of telehealth service delivery as a "best practice".

Additional Important Telehealth Facts:

California law considers telehealth equivalent to in-person services ... Regulations established by The Telemedicine Development Act of 1996 focus on the prompt and equivalent payment for telemedicine services by contracting entities to uphold the law's intention that **telemedicine/telehealth be recognized as a legitimate means of service delivery the same as face-to-face services for all services that are possible through a telehealth platform.**

Allied health professions are covered under the law ... Please note that the language from the Telemedicine Development Act of 1996 (Senate Bill 1665) was updated in 2012 to "**telehealth**" instead of telemedicine and covers **allied health** professions in addition to medical services.

CMS has a history of paying for telehealth services ... For informational purposes, a recent article in *healthitoutcomes.com – May, 28, 2015* – states "Total reimbursements for telemedicine by the Centers for Medicare & Medicaid Services reached $13.9 million in 2014."

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **REMI VISTA, INC.** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Remi Vista, Inc. is a short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth.**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: BUDGET AND EXPENDITURE REPORT
EXHIBIT I: AUDITS AND AUDIT APPEALS
EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit A: Program Description, Exhibit B: Payment and Billing Provisions, and Exhibit H: Budget and Expenditure Report, all of which are made part of this Agreement.

B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **Upon Execution** and shall remain in effect until **June 30, 2027**.

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B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement

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coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

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5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. ICD-10

1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

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VIII. PROGRAM INTEGRITY

A. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

B. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.

2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waivered, and/or certified.

3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:

    a. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;

    b. A history of loss of license or felony convictions;

    c. A history of loss or limitation of privileges or disciplinary activity;

    d. A lack of present illegal drug use; and

    e. The application's accuracy and completeness

5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.

6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal, but at least every three years, in which they will attest that they

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will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.

7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information shall be obtained from network providers to complete the re-credentialing process.

C. SCREENING AND ENROLLMENT REQUIREMENTS

1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))

2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))

3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

IX. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

X. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

XI. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).

D. Continuity of Care

CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

E. Network Adequacy

1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).

2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.

3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.

4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.

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F. Practice Guidelines

1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

   a. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;

   b. They consider the needs of the clients;

   c. They are adopted in consultation with contracting health care professionals; and

   d. They are reviewed and updated periodically as appropriate (42 C.F.R.§ 438.236(b) and CCR, Title 9, Section 1810.326).

2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

G. Provider Application and Validation for Enrollment (PAVE)

1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

H. Physician Inventive Plan

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

I. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

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2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

    a. Complete written description of event including outcome;

    b. Written report of CONTRACTOR's investigation and conclusions;

    c. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

J. Client Informing Materials

1. Basic Information Requirements

    a. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)) CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.

    b. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

    c. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.

    d. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3)).

    e. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:

        i. The format is readily accessible;

        ii. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;

        iii. The information is provided in an electronic form which can be electronically retained and printed;

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iv. The information is consistent with the content and language requirements of this agreement;

v. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

2. Language and Format

a. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))

b. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.

c. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))

i. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

d. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))

e. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).

f. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

3. Beneficiary Informing Materials

a. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:

i. Guide to Medi-Cal Mental Health Services

ii. COUNTY Beneficiary Handbook (BHIN 22-060)

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iii. Provider Directory

iv. Advance Health Care Directive Form (required for adult clients only)

v. Notice of Language Assistance Services available upon request at no cost to the client

vi. Language Taglines

vii. Grievance/Appeal Process and Form

viii. Notice of Privacy Practices

ix. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)

b. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

c. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

d. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.

e. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.

f. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:

i. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;

ii. Mails a printed copy of the information upon the client's request to the client's mailing address;

iii. Provides the information by email after obtaining the client's agreement to receive the information by email;

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iv. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,

v. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

4. Provider Directory

a. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.

b. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

c. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.

d. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waivered, or registered mental health providers.

XII. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

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XIII. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XIV. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XV. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall

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accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer

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authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services

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rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XVI. BUDGET

CONTRACTOR shall submit the Budget and Expenditure Report provided as Exhibit H, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.

XVII. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of

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grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XVIII. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

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D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable

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notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XIX. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XX. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;

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2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XXI. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XXII. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XXIII. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement.

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Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the

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terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXIV. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY	**CONTRACTOR**
Melanie Rhodes Behavioral Health Bureau Chief 1270 Natividad Road Salinas, CA 93906 (831) 755-4580	Stephanie Holmes, CEO Remi Vista, Inc. P.O. Box 494100 Redding, CA 96049 (530) 245-5805

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY	**CONTRACTOR**
By: _____ Department Head	**REMI VISTA, INC.** **CONTRACTOR NAME** Contractor's Business Name *
Date: _____	By: DocuSigned by: Paul Burdett E6050AE6BF614B5... (Signature of Chair, President, or Vice-President) *
Approved as to Form [1]	**PAUL BURDETT, PRESIDENT** Name and Title
By: DocuSigned by: Kevin Serrano CF464EA4829E4B5... County Counsel	Date: 7/31/2025
Date: 7/31/2025	
Approved as to Fiscal Provisions[2]	
By: DocuSigned by: Patricia Ruiz E79EF64E57454F6... Auditor-Controller's Office	By: Signed by: AEC2979B703F407... (Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *
Date: 8/1/2025	**STEPHANIE HOLMES, CEO** Name and Title
Reviewed as to Liability Provisions[3]	Date: 7/31/2025
By: _____ Risk Management	
Date: _____	

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

Remi Vista, Inc.
2701 Park Marina Drive
Redding, CA 96001
Phone: (530) 245-5805

II. PROGRAM GOALS AND OBJECTIVES

A. PROGRAM NARRATIVE

CONTRACTOR is licensed by the California State Department of Social Services as a Short-Term Residential Therapeutic Program (STRTP) and maintains Mental Health Program Approval and Medi-Cal certification to provide an integrated program of specialized and intensive care, services and supports, specialty mental health services, and 24-hour supervision on a short-term basis for children and youth with complex and severe needs. The STRTP is intended for children whose behavioral and therapeutic needs are not able to be met in a home-based family setting, even with the provision of supportive services, and who require the level of supervision and clinical interventions provided by a STRTP.

Children and youth requiring STRTP care need a multi-faceted approach of care. It is expected that services will be provided within the context and implementation of the Integrated Core Practice Model (ICPM) as outlined in the Katie A. Settlement. The ICPM is a comprehensive model for serving children and youth in need. The ICPM Guide publication in the Medi-Cal Manual available through the Department of Health Care Services defines the ICPM as, "a set of practices and principles that promotes a set of values shared by all who seek to support children, youth, and families involved in child-serving agencies including, but not limited to, the child welfare system, special education, probation, drug and alcohol, and other health and human services agencies or legal systems with which the child or youth is involved".

B. PROGRAM GOALS

a. Provide trauma-informed therapeutic interventions and integrated programming designated to treat and ameliorate the behavioral health symptoms and improve functioning.
b. Provide a range of services, of varying intensity, tailored to the individual needs of the child, which can be adjusted during his or her stay in the program as they are meeting goals and improving functioning.
c. Provide mental health interventions so that children and adolescents may move to less restrictive/intensive treatment settings.
d. Child/youth develop effective problem-solving and coping skills to resolve behavioral and emotional problems, improving relationships, and overall functioning.

C. PROGRAM OBJECTIVES

a. CONTRACTOR shall provide residential and specialty mental health services to eligible Monterey County youth.

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i. Client meets the STRTP Placement Criteria pursuant to WIC sections 4096 and 11462.01.
ii. Treatment will be available to every client according to their specific needs and prescribed in a manner consistent with their treatment plans. Psychotropic medication will be made available through psychiatric consultation and routinely monitored.
iii. Services will be strength-based, individualized, and will consider each client's age and appropriate developmental needs, maturational level, culture, language, family values and structure, educational functioning level, and physical health.
iv. Service provision meets medical necessity criteria (Title 9, California Code of Regulations (CCR), Ch. 11, Sections 1830.205 and 1830.210) as indicated in the Case Plan to meet individual goal
v. Services shall be appropriate for the needs of youth involved in the Child Welfare and/or Juvenile Justice systems; trauma exposed; the Lesbian, Gay, Bisexual, Trans-gender, Queer and/or Questioning (LGBTQ); and Special Education communities.

b. CONTRACTOR will receive referrals/approvals only through the COUNTY Inter-Agency Placement Committee (IPC) or Court Order. All referrals for services will be assessed for eligibility according to the following criteria:
   i. Evidence of symptoms of a mental health problem which meet the criteria for DSM 5 or the 10th revision of the international Statistical Classification of Disease and Related Health Problems (ICD-10) diagnosis as an included diagnosis in Title 9, CCR, Ch. 11, Section 1830.205
   ii. Evidence of impaired functioning in one or more of the areas of self-care, danger to harm self, behavior towards others, family functioning, school performance, moods/emotions, substance use, and/or cultural adjustment.

c. CONTRACTOR shall maintain staffing requirement:
   i. Staff meet the minimum licensing requirements as set forth in CCR Title 9, Title 19, Title 22, and Medi-Cal regulations
   ii. Psychiatric services will be available to support clients ages 6-18 and the ability to provide treatment to clients with co-occurring disorders as part of the service continuum.
   iii. Staff shall be appropriately trained and meet the qualifications of the Licenses Practitioner of the Healing Arts (LPHA) as well as meet discipline specific relevant State and local building and safety requirements.
   iv. Provide ongoing clinical supervision to practitioners involved in direct service to clients.
   v. Services shall be culturally and linguistically appropriate for the target population. At a minimum. Services shall be made available in the two (2) threshold languages (English and Spanish).

d. CONTRACTOR shall coordinate care planning efforts with other child-serving agencies and institutions involved in delivering services to the child and family to ensure comprehensive and consistent care.

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e. CONTRACTOR shall utilize the Child and Adolescent Needs and Strengths (CANS) assessment tool
   i. The CONTRACTOR will adhere to the Monterey County Behavioral Health CANS/ANSA/PSC-35 policy: https://www.co.monterey.ca.us/home/showdocument?id=87702
   ii. CANS will be administered as appropriate to clients to support decision making and treatment planning, facilitate quality improvement, and monitor the outcomes of services.
   iii. CONTRACTOR is responsible for training, certifying, and annually recertifying their staff on the CANS Comprehensive 5+. In addition, if the CONTRACTOR provides services to children ages 0-5, the CONTRACTOR is responsible for training, certifying, and annually re-certifying their staff on the CANS: Early Childhood.
   iv. CONTRACTOR shall maintain staff as CANS Trainers to ensure sustainability and that CANS principles and philosophy are integrated into clinical practice.
   v. CONTRACTOR will establish an online account with Pared Foundation to access online CANS trainings and certification and set goals towards transitioning back to lower level of care.

f. CONTRACTOR shall use the Child and Family Team (CFT) process to identify team members, client needs and services and set goals toward transitioning back to lower level of care.
   i. A CFT is a highly facilitated process, and it is only a CFT meeting if decisions about goals and strategies to achieve them are made with involvement of the child and family members.
   ii. After January 1, 2017, a child or youth is required to have a CFT within the first sixty (60) days of entering into the child welfare or probation foster care placement. As defined in Welfare and Institutions Code (WIC), Section 16501, a CFT is also required for those children and youth residing in a group home or STRTP placement with an existing Case Plan. Best practice dictates that meetings should occur as soon as possible for purposes, including but not limited to, case planning, placement determination, emancipation planning and/or safety planning. The CONTRACTOR providing mental health services to children in the child welfare or probation system may participate in the CFT.
   iii. CONTRACTOR shall provide client progress for the CFT to determine appropriate or ongoing placement, if necessary.
   iv. The CONTRACTOR will make CANS data available for the CFT to determine appropriate or ongoing placement, if necessary.

g. The CONTRACTOR shall follow guidelines when the client is transitioning to a new program or lower level of placement.
   i. Coordinate with the new provider to assure understanding of client's strengths, needs, supports, and goals.
   ii. Provide copies of Care Plan, Narrative Summary, and Assessment information to the new provider.
   iii. Provide notification to COUNTY of any hospitalization.

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D. OUTCOME OBJECTIVES

A. Reduce the level of functional impairment of child or youth
   a. Data Source: CANS Data

B. Reduce Hospitalizations
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report the number of clients in placement who have been hospitalized.

C. Timely return to lower level of care
   a. Data Source: CONTRACTOR'S Electronic Health Record (EHR) to report length of stay and successful program completions with at least 80% of admissions

E. TREATMENT SERVICES

A. Mode of Service: Outpatient

B. Contracted units of services by service type:
Contractor is Medi-Cal certified to provide the following Specialty Mental Health Services, as medically necessary for up to **four (4)** youth for fiscal year (FY) 25-26 and **four (4)** youth fiscal year (FY) 26-27. A Unit of Service (UOS) is per minute:

Fiscal Year (FY) 2025-2026

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60	10,000
Mental Health Rehab Specialist			88,000
Total Units			**98,000**

Fiscal Year (FY) 2026-2027

Direct Service Staff	Mode of Service	Service Function Code	Estimated Units of Service (minutes)
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60	10,000
Mental Health Rehab Specialist			88,000
Total Units			**98,000**

Services shall be coded under Avatar program Name/Code

	Address	Code
House #1	**10387 Porta Dego Way, Redding, CA 96003**	**TBD**

There is no limitation on the mix of units of service other than the maximum contract dollar amount found in Exhibit B of this contract.

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D. Delivery Sites(s):
The CONTRACTOR'S services described hereunder shall be provided in a licensed STRTP site(s). CONTRACTOR shall not place children at a service delivery site not listed.

Site	Address
House #1	**10387 Porta Dego Way, Redding, CA 96003**

E. Hours of Operation:
The STRTP will operate a twenty-four (24) hours per day, (7) days per week residential program, and offer specialty mental health services seven (7) days per week.

F. TARGET POPULATION

Monterey County children/youth who are full scope Medi-Cal eligible and have been screened through the County IPC or by Court Order. The current Agreement is for **four (4)** eligible residents for Fiscal Year 2025-2026 and **four (4)** eligible residents for Fiscal Year 2026-2027 of Monterey County. Any additional eligible residents of Monterey County referred to the program will require an amendment to this Agreement.

Fiscal Year (FY)	Number of Placements per FY
2025-2026	4
2026-2027	4

G. FINANCIAL ELIGIBILITY

All eligible full-scope Medi-Cal Monterey County Residents who have been authorized and referred by the Monterey County Behavioral Health (MCBH) Case Manager. The Case Manager will ensure full scope Medi-Cal has been established and verified prior to the referral. Full scope Medi-Cal eligibility will be determined by Medi-Cal aid code as defined in Title XXI of the Social Security Act and the State Department of Mental Health latest Aid Codes Master Chart. The Chart can be found at the following web URL: https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx.
The contractor must monitor referrals and verify Medi-Cal eligibility for each client referred by checking on the website: https://www.medi-cal.ca.gov/MCWebPub/Login.aspx#. Any discrepancies of Medi-Cal eligibility must be communicated immediately to the Contract Monitor and resolved. Services provided to non-Medi-Cal eligible children will not be reimbursed to contractor unless the Deputy Director of Behavioral Health has approved for these services in writing.

H. LIMITATION OF SERVICE/PRIOR AUTHORIZATION

A. Referral for Admission:
Regular referrals of admission to this program will be initiated exclusively by screening and approval by an Interagency Placement Committee (IPC). Admission to the program will involve youth who are voluntary participants or who are wards or dependents of the

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court. Screening criteria will be based on degree of emotional disturbance, a designated funding source, and the inability to utilize a less restrictive placement. Admission will be the sole authority of the CONTRACTOR.

B. Emergency Placement Admission:
CONTRACTOR may admit children and youth into the program under emergency placement determination by placing Agency. CONTRACTOR shall provide comprehensive mental health assessments for Medi-Cal to determine if they meet medical necessity for SMHS and to determine if the individual meets criteria for STRTP placement within 72 hours of placement. CONTRACTOR shall notify County of placement and request IPC review and approval. County will notify CONTRACATOR of placement determination. If the IPC determines at any time that the placement, including an emergency placement, is not appropriate, it shall transmit the disapproval in writing to the CONTRACTOR.

C. Service Authorization
Mental Health services including Therapeutic Behavioral Services, require prior authorization. Medication support, beyond two visits per month, requires prior authorization. The contracted duration of treatment is limited to one year; any extension requires consultation with the MCBH Case Manager and approval of the Contract Monitor.

I. CLIENT DESCRIPTION/CHARACTERISTICS

The population served are children/youth with one or all of the following and are unsuccessful in stabilizing at a lower level of care.

A. Severe acting out episodes
B. History of self-destructive behavior
C. Catastrophic reactions to everyday occurrences and/or
D. History of inpatient hospitalization

Individuals served meet the following criteria for medical necessity (diagnostic, impairment, and intervention related):

A. Diagnostic Criteria:
The focus of the service should be directed to functional impairments related to an Included Diagnosis.

B. Impairment Criteria:
The client must have at least one of the following as result of the mental disorder(s) identified in the Diagnostic Criteria (A):

1. A significant impairment in an important area of life functioning, or
2. A probability of significant deterioration in an important area of life functioning, or
3. Children also quality if there is a probability that the child will not progress developmentally as individually appropriate. Children covered under EPSDT qualify if they have a mental disorder that can be corrected or ameliorated.

C. Intervention Related Criteria (must have all three):

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1. The focus of the proposed intervention is to address the condition identified in impairment criteria (B) above, and
2. It is expected the proposed intervention will benefit the consumer by significantly diminishing the impairment, or preventing significant deterioration in an important area of life functioning; and/or for children it is probably the child will be enabled to progress developmentally as individually appropriate (or if covered by EPSDT), the identified condition can be corrected or ameliorated),
3. The condition would not be responsive to physical healthcare-based treatment.

J. LEGAL STATUS

Voluntary or juvenile dependents and wards (W&I Code, Sections 300 et seq. and Sections 601 and 602 et seq.)

K. COVERAGE

Mental Health Services and Medical Support will be as designated on the service plan.

L. REPORTING REQUIREMENTS

A. CONTRACTOR shall complete the CANS for children/youth ages 6 through 18, and the Pediatric Symptom Checklist (PSC-35) for children ages 3 through 18 at the start of treatment, and complete a reassessment every 6 months, and at time of discharge. CONTRACTOR shall submit progress made on mental health goals as measured by CANS and PSC-35 no later than the last day of the following service month.
B. CONTRACTOR will submit reports on the following outcomes data no later than thirty (30) days following the end of each quarter to the COUNTY Designated Contract Monitor:
   a. Total number of children/youths served
   b. Number of CFT meetings attended per quarter
   c. Number of children/youths who have returned to lower levels of care
   d. Report on each Outcome Objective in Section III.

M. DESIGNATED CONTRACT MONITOR

Liz Perez-Cordero, Psy. D.
Behavioral Health Services Manager II
Monterey County Behavioral Health Bureau
Salinas, CA 93901

(831) 755-8430

III. SERVICE PROVISIONS

A. Certification of Eligibility

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CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS under Medi-Cal.

B. Access to Specialty Mental Health Services

1. In collaboration with the COUNTY, Contractor will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (a) or (b) below. If a client under age 21 meets the criteria as described in (a) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (b) below.

   a. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

   b. The client has at least one of the following:

      a. A significant impairment,

      b. A reasonable probability of significant deterioration in an important area of life functioning,

      c. A reasonable probability of not progressing developmentally as appropriate, or

      d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

      e. The client's condition listed above is due to one of the following:

         a. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

         b. A suspected mental health disorder that has not yet been diagnosed.

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c. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (a) and (b) below:

a. The client has one or both of the following:

i. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

ii. A reasonable probability of significant deterioration in an important area of life functioning.

b. The client's condition as described in paragraph (a) is due to either of the following:

i. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

ii. A suspected mental disorder that has not yet been diagnosed.

C. Additional Clarifications

1. Criteria

a. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:

i. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
ii. The service was not included in an individual treatment plan; or

iii. The client had a co-occurring substance use disorder.

2. Diagnosis Not a Prerequisite

a. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

D. Medical Necessity

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1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.

2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

E. Coordination or Care

1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.

2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.

3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

F. Co-Occurring Treatment and No Wrong Door

1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic

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relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.

2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

   a. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.

   b. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

IV. AUTHORIZATION AND DOCUMENTATION PROVISIONS

A. Services Authorization

1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.

2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.

3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.

4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.

5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

B. Documentation Requirements

1. CONTRACTOR will follow all documentation requirements as specified in Article 4.2-4.8 inclusive in compliance with federal, state and COUNTY requirements.

2. All CONTRACTOR documentation shall be accurate, complete, and legible, shall list each date of service, and include the face-to-face time for each service. CONTRACTOR shall document travel and documentation time for each service separately from face-to-face time and provide this information to COUNTY upon

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request. Services must be identified as provided in-person, by telephone, or by telehealth.

3. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

C. Assessment

1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.

2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.

3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.

4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

D. Problem List

1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.

3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.

4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.

5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a

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problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

E. Treatment and Care Plans

1. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

F. Progress Notes

1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.

4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.

5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

G. Transition of Care Tool

1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.

2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.

3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at: https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided

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form. The only exception to this requirement is when the tool is translated into languages other than English.

H. Telehealth

1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

   https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx.

2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

V. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events

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- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Provisional Rates

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

PROVISIONAL RATE: NEGOTIATED RATE

CONTRACTOR shall be reimbursed the following negotiated rates for services. Rendering Staff Type shall provide services according to the Monterey County Behavioral Health Specialty Mental Health Services Documentation Manual, Scope of Practice.

CONTRACTOR may exceed units by clinician within a program or total contract as long as the annual program not-to-exceed (NTE) or annual maximum County obligation is not exceeded.

The following program services will be paid for actual usage in arrears, not to exceed the negotiated rates for a total amount not to exceed **$590,520** *(rounded to the nearest dollar)* for **FY 2025-2027***)*:

Fiscal Year (FY) 2025-26 ***(4 placements)***					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000	$3.83	$38,300
Mental Health Rehab Specialist			88,000	$2.92	$256,960
Total Maximum Amount FY 2025-26					**$295,260**

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Fiscal Year (FY) 2026-27 *(4 placements)*					
Direct Service Staff	**Mode of Service**	**Service Function Code**	**Estimated Units of Service (minutes)**	**Rate per UOS (minutes)**	**Estimated Amount**
LPHA (MFT, LCSW, LPCC)/ Intern or Waivered LPHA (MFT, LCSW, LPCC)	Outpatient Services (Mode 15)	01, 07, 10, 30, 40, 45, 50, 57, 58, 60, 70, 85, and 98	10,000	$3.83	$38,300
Mental Health Rehab Specialist			88,000	$2.92	$256,960
Total Maximum Amount FY 2026-27					**$295,260**

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Rate, which is based on the most recent State's Medi-Cal Behavioral Health Service Fee Schedules established by the State's Department of Health Care Services. In no case shall payments to CONTRACTOR exceed County's Maximum Rates. In addition to the rate limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded

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program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.

C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.

D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Behavioral Health Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

   CONTRACTOR shall submit via email a monthly claim using Exhibit G, Behavioral Health Invoice Form in Excel format with electronic signature along with supporting documentation, as may be required by the COUNTY for services rendered to:

   MCHDBHFinance@countyofmonterey.gov

E. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

F. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

G. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the

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certified invoice.

H. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.

I. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$590,520** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
FY 2025/2026	$295,260
FY 2026/2027	$295,260
TOTAL MAXIMUM COUNTY OBLIGATION:	**$590,520**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

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VI. BILLING AND PAYMENT LIMITATIONS

B. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

C. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H and 2 C.F.R. § 230. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.

D. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line-item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

E. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

F. Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

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B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

A. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services are submitted by CONTRACTOR to COUNTY.
CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.

B. CONTRACTOR acknowledges and agrees that the COUNTY, in undertaking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.

C. CONTRACTOR shall submit to COUNTY all Short-Doyle/Medi-Cal claims or other State required claims data within the thirty (30) calendar daytime frame(s) as prescribed

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by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.

D. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.

E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.

F. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.

G. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.

H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities subsequently denied or disallowed by Federal, State and/or COUNTY government.

I. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section II (Method of Payments for Amounts Due to County) of this Agreement.

J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.

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K. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

IX. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:

1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Health Care Services guidelines and WIC sections 5709 and 5710.

2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third-party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.

B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.

C. CONTRACTOR may retain unanticipated fee for service program revenue, under this Agreement, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement.

D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) showing all such non-reported revenue.

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2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.

B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.

C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.

E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.

H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.

I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

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XI. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C:
CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

	REMI VISTA, INC.
	Business Name of Contractor
DocuSigned by: Paul Burdett E6058AE6BF614B5...	**PAUL BURDETT**
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/31/2025	PRESIDENT
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons.

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Name	REMI VISTA, INC	
Name of Designee	PAUL BURDETT	
Title of Designee	PRESIDENT	
Street: 2701 Park Marina Drive		
City: Redding	State: CA	Zip: 96001
IRS Employer Identification Number	94-2148477	
I certify that the above information is complete and correct to the best of my knowledge and belief. DocuSigned by: Paul Burdett Board president E6058AE6BF614B5... Signature & Title of Contractor	Date 7/31/2025	

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EXHIBIT E:
ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement
- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration
- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access
- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.

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- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials,

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resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

DocuSigned by:
Paul Burdett
E6058AE6BF614B5...
Signature of Authorized Representative

7/31/2025
Date

REMI VISTA, INC.
Contractor (Organization Name)

PAUL BURDETT
Name of Authorized Representative

PRESIDENT
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective **July 1, 2025** ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and **REMI VISTA, INC.** ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R.

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§ 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504I(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504I(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504I(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been

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breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410I, which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non- permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may

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include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

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(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 <u>Business Associate Acknowledgment</u>.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de- identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

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(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504I(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and

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(v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Remi Vista, Inc.
Attn: Stephanie Holmes
P.O. Box 494110
Redding, CA 96049
Phone: (530) 245-5805
Email: sholmes@remivista.org

If to Covered Entity, to:

County of Monterey Health Department Attn:
Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

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5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

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Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

I. BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Paul Burdett E6058AE6BF614B5...	By:
Print Name: **PAUL BURDETT**	Print Name: **Elsa M. Jimenez**
Print Title: **PRESIDENT**	Print Title: Director of Health Services
Date: 7/31/2025	Date:

January, 2024

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EXHIBIT G: Behavioral Health Invoice Form

		Invoice Number :	
Contractor :			
Address Line 1		**County PO No.:**	
Address Line 2			
		Invoice Period :	
Tel. No.:			
Fax No.:			
Contract Term:		**Final Invoice :**	(Check if Yes)
BH Division :	Mental Health Services	BH Control Number	

Payment Provisions	Total Maximum Amount FY 2023-24	Dollar Amount Requested this Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
				$ -	
				$ -	
				$ -	
TOTALS	$ -	$ -	$ -	$ -	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: _____ Telephone: _____

Send to:	MCHDBHFinance@countyofmonterey.gov	Behavioral Health Authorization for Payment	
		Authorized Signatory	Date

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EXHIBIT H: BUDGET AND EXPENDITURE REPORT

CONTRACTOR'S NAME

BUDGET AND EXPENDITURE REPORT

For Monterey County - Behavioral Health

Fiscal Year _____

Program Name: _____ **AVATAR Program(s):** _____

Unduplicated Number of Clients Served: _____ **Address:** _____

Service Description	Mode of Service	Service Function Code	Total Units of Service	Amount Due from the COUNTY	Estimated Medi-Cal Units of Service		Estimated Federal Financial Participation (FFP) Revenue
							$ -
				Approved Budget		Actual for 6 Months	Actual Year-to-Date
A. PROGRAM REVENUES							
Monterey County Funds (Monterey County's Use):							
	Provisional Rates						
	Estimated Federal Financial Participation (FFP)			$ -			
	Cash Flow Advances						
						$ -	
Total Requested Monterey County Funds						$ -	$ -
Other Program Revenues							
TOTAL PROGRAM REVENUES (equals Allowable Costs)				$ -		$ -	$ -
	B. ALLOWABLE COSTS - Allowable expenditures for the care and services of placed Monterey County clients allocated in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories list. CONTRACTOR is expected to be able to identify direct and indirect costs directly from its financial statements.						
	I. Direct Cost Centers - a direct cost, as defined in OMB A-87, is a cost that can be identified specifically with a particular final cost objective.						
	A. Mode Costs (Direct Services)			Approved Budget		Actual for 6 Months	Actual Year-to-Date
1	Salaries and wages (please fill out Supplemental Schedule of Salaries and Wages)						

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2	Payroll taxes				
3	Employee benefits				
4	Workers Compensation				
5	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)				
6	Temporary Staffing				
7	Flexible Client Spending (please provide supporting documents)				
8	Travel (costs incurred to carry out the program)				
9	Employee Travel and Conference				
10	Communication Costs				
11	Utilities				
12	Cleaning and Janitorial				
13	Maintenance and Repairs - Buildings				

		Approved Budget	Actual for 6 Months	Actual Year-to-Date
14	Maintenance and Repairs - Equipment			
15	Printing and Publications			
16	Memberships, Subscriptions and Dues			
17	Office Supplies			
18	Postage and Mailing			
19	Medical Records			
20	Data Processing			
21	Rent and Leases - equipment			
22	Rent and Leases - building and improvements (please identify the property address and method of cost allocation)			
23	Taxes and assessments (Please identify the property address and method of cost allocation)			
24	Interest in Other Long-term debts (please identify the property address and method of cost allocation)			
25	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County and must meet the criteria of a direct cost)			
26	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
27	Miscellaneous (please provide details)			
28	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
29	**Total Mode Costs**	$ -	$ -	$ -
	B. Administrative Costs - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided.			

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30	Salaries and Benefits			
31	Supplies			
32	Others - please provide details. Expense must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.			
33	Depreciation Expenses (please exclude assets purchased by COUNTY funds and provide Schedule of Depreciation expense.)			
34	**Total Administrative Costs**	**$ -**	**$ -**	**$ -**
35	**TOTAL DIRECT COSTS**	**$ -**	**$ -**	**$ -**

II Indirect Cost Centers - include all costs that are incurred for a common or joint purpose benefitting more than one final cost objective, that are not readily assignable to the cost objective specifically benefitted without effort disproportionate to the results achieved. The indirect cost centers correspond directly with the expense accounts defined in the Accounting Standards and Procedures for Counties, which is published by the California State Controller's Office.

	INDIRECT COSTS	**Approved Budget**	**Actual for 6 Months**	**Actual Year-to-Date**
36	Equipment (purchase price of less than $5000)			
37	Rent and Leases - equipment			
38	Rent and Leases - building and improvements			
39	Taxes and assessments			
40	Insurance and Indemnity			
41	Maintenance - equipment			
42	Maintenance - building and improvements			
43	Utilities			
44	Household Expenses			
45	Interest in Bonds			
46	Interest in Other Long-term debts			
47	Other interest and finance charges			
		Approved Budget	**Actual for 6 Months**	**Actual Year-to-Date**
48	Contracts Administration			
49	Legal and Accounting (when required for the administration of the County Programs)			
50	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133)			
51	Data Processing			
52	Personnel Administration			
53	Medical Records			
54	Other Professional and Specialized Services			
55	Transportation and Travel			
56	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			
57	**Total Indirect costs**	**$ -**	**$ -**	**$ -**

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63 Total Allowable Costs		$ -	$ -	$ -
COST REPORT INFORMATION:				
64	Land			
65	Buildings and Improvements			
66	Equipment (purchase price of $5000 or more)			
67	Total	0		

We hereby certify to the best of our knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature **Date** **Finance Director's Signature** **Date**

Supplemental Schedule of Salaries and Wages - Mode Cost (Direct Services)

TITLE OF POSITION	Annual Salary/Wage	FTE (Full Time Employee)	TOTAL
Sample: Social Worker	$ 45,000	0.75	$ 33,750
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
Total Salaries and Wages			$ -

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EXHIBIT I: AUDITS AND AUDIT APPEALS

I. AUDITS AND AUDIT APPEALS

A. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the Federal governments, State or COUNTY may conduct an audit of CONTRACTOR regarding the services/activities provided under the fiscal year(s) for which the audit is outstanding. In addition, contract compliance audits or reviews may be conducted by the County of Monterey Auditor-Controller's Office or designated representative. Furthermore, the California State Controller Office performs audits of the mandated cost claims for the seriously emotionally disturbed pupils for the Out-of-State Mental Health Services Program and Handicapped and Disabled Students Programs. The Centers for Medicare and Medicaid Services (CMS) also perform audits of the Certified Public Expenditure (CPE) processes, negotiated rate audit information, and other issues.

B. Settlement of audit findings shall be conducted according to the auditing party's procedures in place at the time of the audit.

C. In the case of a Federal Government or State audit, COUNTY may perform a post-audit based on Federal or State audit findings. Such post-audit shall take place when the Federal Government or State initiates its settlement action, which customarily is after the issuance of the audit report by the Federal Government or State and before the Federal Government or State's audit appeal process.

   1. If the Federal Government or State stays its collection of any amounts due or payable because of the audit findings, COUNTY shall also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with COUNTY.

   2. COUNTY shall follow all applicable Federal, State and local laws, regulations manuals, guidelines and directives in recovering from CONTRACTOR any amount due to the COUNTY.

   3. COUNTY shall issue an invoice to CONTRACTOR for any amount due to the COUNTY no later than ninety (90) calendar days after the Federal or State issues its audit settlement letter to the COUNTY. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

D. CONTRACTOR may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

   1. For Federal audit exceptions, Federal audit appeal processes shall be followed.

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2. CONTRACTOR may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through COUNTY. COUNTY shall notify CONTRACTOR of State appeal deadlines after COUNTY'S receipt from State of the audit report.

3. If at any time the Appeal process results in a revision to the audit findings, and the Federal Government or State recalculates the final settlement with COUNTY, COUNTY may perform a post-audit based on the Federal or State revised findings after the Federal Government or State has issued its revised settlement with the COUNTY, based on such re-computed final settlement.

   a. If the re-computed final settlement results in amounts due to CONTRACTOR by the COUNTY, COUNTY shall make such payments to CONTRACTOR within thirty (30) calendar days of issuing the revised settlement amount to the CONTRACTOR.

   b. If the re-computed final settlement results in amounts due from CONTRACTOR to the COUNTY, CONTRACTOR shall make payment to the COUNTY within thirty (30) days that the COUNTY issues its invoice to the CONTRACTOR.

E. Notwithstanding any other provisions of this Agreement, if CONTRACTOR appeals any audit report, the appeal shall not prevent the COUNTY from recovering from CONTRACTOR any amount owed by CONTRACTOR that the Federal Government or State has recovered from COUNTY.

F. Should the auditing party be the COUNTY, CONTRACTOR shall have thirty (30) calendar days from the date of the audit report with in which to file an appeal with COUNTY. The letter providing the CONTRACTOR with notice of the audit findings shall indicate the person(s) and address to which the appeal should be directed. COUNTY shall consider all information provided by CONTRACTOR with its appeal, and shall issue its decision on the appeal after such consideration. Such decision is final. COUNTY shall issue an invoice for any amount due COUNTY fifteen (15) calendar days after COUNTY has notified CONTRACTOR of the COUNTY'S audit appeal findings. CONTRACTOR shall make payment to the COUNTY in accordance with the terms of Section II (Method of Payments for Amounts Due to COUNTY) of this Exhibit I. Said payment shall be submitted to the person and at the address identified in the COUNTY invoice.

II. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

A. Within ten (10) business days after written notification by COUNTY to CONTRACTOR of any amount due by CONTRACTOR to COUNTY, CONTRACTOR shall notify COUNTY as to which of the following five (5) payment options CONTRACTOR requests be used as the method by which such amount shall be recovered by COUNTY.

   Any such amount shall be:

   1. Paid in one cash payment by CONTRACTOR to COUNTY;

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2. Deducted from future claims over a period not to exceed six (6) months;

3. Deducted from any amounts due from COUNTY to CONTRACTOR whether under this Agreement or otherwise;

4. Paid by cash payment(s) by CONTRACTOR to COUNTY over a period not to exceed six (6) months; OR

5. A combination of any or all of the above.

B. If CONTRACTOR does not so notify COUNTY within such ten (10) days, or if CONTRACTOR fails to make payment of any such amount to COUNTY as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by COUNTY for recovery of such amount from CONTRACTOR.

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EXHIBIT J: FEDERAL AND STATE TELEHEALTH LAWS

Purpose: Demonstrate CONTRACTOR's telehealth compliance with federal & state telehealth laws

A. **Federal Telehealth Law**

There are no specific federal laws governing the delivery of telehealth related to compliance, but there are numerous laws requiring telehealth reimbursement parity with face-to-face services. However, in parity with on-ground mental health services, Telehealth 'covered entities' are required to uphold federally-established HIPAA regulations according to the Health Insurance Portability and Accountability Act of 1996.

HIPAA Regulations: In addition to standard operations, HIPAA security guidelines for the electronic delivery of telehealth services have been established by HITECH (Health Information Technology for Economic and Clinical Health) as part of the American Recovery and Reinvestment Act of 2009 (ARRA). Specifically, CONTRACTOR Telehealth technologies and operational standards conform to HITECH guidelines for HIPAA compliance through:

1. **Technology Security**
    a. IETF-standard Secure Sockets Layer (SSL) and Transport Layer Security (TLS) protocols are used to protect all communication between endpoints. To provide maximum protection against eavesdropping, modification, or replay attacks, the only SSL cipher suite supported for non-Web-site TCP connections is 1024-bit RSA with 128-bit AES-CBC and HMAC-SHA1
    b. End-to-end 128 bit encryption that protects both ends of the connection
    c. Multi-layer cryptography, server, certificate, and user authentication prevent unauthorized access
2. **Role-based Security Features**
    a. Platform user permissions are centrally assigned to approved providers by the CONTRACTOR's Director of Operations only (controlled access to platform)
    b. Each session has a uniquely coded session ID that is not reusable
    c. No one else can enter the session uninvited (including staff members)
3. **Security Monitoring**
    a. occurs simultaneously on three levels, 1) CONTRACTOR Provider; 2) Facility; and 3) Behavioral Health
    b. Provider has on-screen monitoring tools to see who is connected to the session at all times
    c. Facility and BH monitors daily activity plus comprehensive data logs to ensure appropriate, secure use of system
    d. CONTRACTOR Data Centers are physically guarded and continually monitored for security and performance, guarding against cyber attacks
4. **Information Access**
    a. Communications and user identities are NEVER visible to any third party

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b. User logs and activity is not visible to anyone but the CONTRACTOR Director of Operations

c. Sessions are not recorded

d. Contingency and Emergency Operations Plan

5. **Stringent Policies and Procedures**

a. Extensive training plus CONTRACTOR policies and procedures for clinicians governing use of the platform, their behavior online, and how they access and manage client information.

b. We also work closely with clients to ensure their compliance to HIPAA confidentiality measures (such as confirming no one can overhear their session, confirming they are in a secure and private location, etc.

B. **California Telehealth Law**

California was one of the earliest adopters of a state telehealth policy with the passing of The Telemedicine Development Act of 1996, which established a legal requirement to recognize telehealth services as equivalent to face to face services, and for such services to be reimbursable by both Medi-Cal and Medicare, as well as commercial insurers.

Current and relevant CA telehealth codes/laws include:

• **Cal. Health & Safety Code § 1374.13. (c)** - On and after January 1, 1997, no health care service plan contract that is issued, amended, or renewed shall require face-to-face contact between a health care provider and a patient for services appropriately provided through telemedicine, subject to all terms and conditions of the contract agreed upon between the enrollee or subscriber and the plan.

• **Cal. Health & Safety Code § 14132.72. (a)** - It is the intent of the Legislature to recognize the practice of telemedicine as a legitimate means by which an individual may receive medical services from a health care provider without person-to-person contact with the provider.

• **AB 415 (2012)** – Was passed to facilitate the advancement of telehealth as way of providing health services. The law established that telehealth services may consist of a real-time (synchronous) interaction between a patient and a health care provider located at a distant site or may involve the transmission of a patient's medical information from patient's site to a distant site without the presence of the patient ("asynchronous store and forward"). The law also affirmed that the use of telehealth includes allied health professions such as mental health practitioners. (See Cal. Bus. & Prof. Code § 2290.5).

• **AB 809 (2015)** - Provided that informed consent for telehealth services may be verbal only, although USCTH still obtains written consent and acknowledgement of telehealth service delivery as a "best practice".

Additional Important Telehealth Facts:

California law considers telehealth equivalent to in-person services ... Regulations established by The Telemedicine Development Act of 1996 focus on the prompt and equivalent payment for telemedicine services by contracting entities to uphold the law's intention that **telemedicine/telehealth be recognized as a legitimate means of service delivery the same as face-to-face services for all services that are possible through a telehealth platform.**

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Allied health professions are covered under the law ... Please note that the language from the Telemedicine Development Act of 1996 (Senate Bill 1665) was updated in 2012 to "**telehealth**" instead of telemedicine and covers **allied health** professions in addition to medical services.

CMS has a history of paying for telehealth services ... For informational purposes, a recent article in *healthitoutcomes.com – May, 28, 2015* – states "Total reimbursements for telemedicine by the Centers for Medicare & Medicaid Services reached $13.9 million in 2014."

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Mary L. Adams, seconded by Supervisor Chris Lopez to:

Agreement No.: A-16333
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute a retroactive agreement with California Transplant Services dba SafetyGraft for tissue bank storage services at NMC, effective January 1, 2023 through December 31, 2025, not to exceed $200,000; and,
b. Approve the NMC Chief Executive Officer's recommendation to accept non-standard risk provisions (insurance, indemnification, limitations on liability, damages, actions) in the Agreement.

PASSED AND ADOPTED on this 6th day of June 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 6, 2023.

Dated: June 7, 2023
File ID: A 23-200
Agenda Item No.: 18

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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AUTOLOGOUS TISSUE STORAGE AGREEMENT
by and between
CALIFORNIA TRANSPLANT SERVICES, INC.
and
THE COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

"CTS":

CALIFORNIA TRANSPLANT SERVICES, INC.
dba SAFETYGRAFT
5845 Owens Avenue
Carlsbad, CA 92008

"HOSPITAL":

COUNTY OF MONTEREY ON THE BEHALF OF
NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd.
Salinas, CA 93906

This Autologous Tissue Storage Agreement ("Agreement") consists of this signature page, the attached Terms and Conditions, and the Exhibits marked below. This Agreement authorizes California Transplant Services, Inc., a California nonprofit public benefit corporation, d/b/a SafetyGraft, hereinafter referred to as "CTS" to obtain from Natividad Medical Center, a Safety Net Hospital, owned and operated by Monterey County hereinafter referred to as "Hospital", human autologous tissue which CTS may process and distribute such autologous tissue for use in reimplantation. The term of this Agreement shall commence on the effective date, which is the date of execution and shall expire five (5) years thereafter unless sooner terminated by either party with or without cause by giving one hundred eighty (180) days prior written notice to the other party. For purposes of this Agreement, the effective date shall be the last date executed below. This Agreement becomes legally binding upon signature below by authorized representatives of the parties.

Exhibits

___X___ A— American Association of Tissue Banks Accreditation Certificate

___X___ B— FDA Tissue Bank Registration

___X___ C— State of California Tissue Bank License

___X___ D— Certificate of Liability Insurance

CALIFORNIA TRANSPLANT SERVICES, INC.

By: _____

Daryl S. Lirman, President & CEO

Date: 04/14/2023

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

5/9/2023 | 7:46 AM PDT

NATIVIDAD MEDICAL CENTER:

DocuSigned by:
By: Charles Harris
4E1F837D204E481...

CEO

Date: 6/13/2023 | 9:44 AM PDT

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

5/9/2023 | 4:04 PM PDT

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TERMS AND CONDITIONS

1. PROCUREMENT PROCEDURE

CTS shall provide Hospital with all procurement packs without charge for Hospital to use in procuring autologous tissue by Hospital. Hospital shall be responsible for safe and adequate storage of the autograft storage kits provided to Hospital by CTS and liable for the adequacy of all other supplies and instruments used in its procurement process. Procurement packs delivered to Hospital by CTS that are lost by Hospital, or damaged due to improper storage or careless handling by Hospital will be replaced by CTS and will incur a charge in accordance with the fee schedule in this agreement.

Hospital shall immediately notify CTS by telephone of the readiness and availability of human autologous bone or skull flaps for shipment to CTS. The Hospital shall notify CTS by calling 1(800) 928-4778 or 1(760) 804-6890. Hospital shall provide to CTS all aseptically procured autologous tissue in containers or packaging supplied to Hospital by CTS, or other suitable packaging which complies with applicable federal, state and local requirements for transportation of human autologous bone or skull flaps and/or blood specimens. Any packaging other than that supplied by CTS must be approved by CTS prior to its use by Hospital.

Hospital shall provide complete copies of the results of all bacteriological cultures and/or serological testing results (if performed by Hospital on the autologous tissue) corresponding to each shipment of autologous tissue to CTS, unless Hospital and CTS agree in advance that CTS will be performing such testing after receipt of microbiological swab specimen and qualified blood samples.

2. SHIPPING

CTS shall pay for the cost of couriers, shipment, and carriage for all donor autologous bone or skull flaps picked up by courier or shipped from Hospital to CTS's laboratory. The risk of damage or loss for all such shipments shall remain with Hospital. Hospital shall pay return processing, handling, and shipping costs on all shipments which CTS returns to Hospital. Risk of damage or loss for all such shipments shall be the responsibility of Hospital.

Hospital shall include with each shipment of autologous tissue to CTS, a fully completed and signed "Tissue Preservation Service Request Form" and shall also provide a copy of Hospital's patient "face sheet" in a format acceptable to CTS.

Any Protected Health Information (PHI) that may be contained on the Hospital's patient face sheet sent with the autologous tissue shall be considered as PHI under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH") privacy provisions of the American Recovery and Reinvestment Act, as well as to the California privacy laws which are codified in the California Health and Safety Code and in the Confidentiality of Medical Information Act (CMIA). As such, this information shall only be used by CTS in a manner consistent with patient identification and location for tracking and notification purposes, and shall at all times be kept confidential in accordance with HIPAA regulations.

Hospital shall not write or adhere on the outside of the outer cardboard box/shipping container any PHI or document that contains PHI.

For purposes of patient identification, if only a trauma name (alias) is available at the time of autologous tissue recovery and packaging is performed and are therefore provided by Hospital on the Tissue Preservation Service Request Form and Hospital Face Sheet, the true patient name, medical record number, and patient contact information shall be provided by Hospital to CTS as soon as the true patient identification information can be determined by Hospital.

Hospital shall be solely responsible for obtaining all appropriate and required informed consents necessary prior to procurement of any autologous bone or skull flap to be shipped to CTS.

CTS shall promptly inspect the outer packaging that autologous bone or skull flaps are received in from Hospital and shall promptly notify Hospital if it determines that the outer packaging of any autologous bone or skull flap or other tissue it receives from Hospital has been breached, or is in a condition that renders the autologous bone or skull flap or other tissue compromised or not suitable for re-implantation. Any inspection of autologous bone or skull flaps or other tissue by CTS shall be of the outer packaging only and not of the bone or other tissue contained

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within. Therefore, nothing in CTS' inspection of the outer packaging that autologous bone or skull flaps and other tissue is received in from Hospital shall be construed in any way to be a determination by CTS of the usability, safety, suitability, determination of the presence or absence of any communicable disease, or a determination of the presence or absence of any serological or bacteriological testing of the tissue received.

3. BILLING

Hospital shall endeavor to issue a purchase order number to CTS within 30 days of date of service. CTS will invoice the Hospital's accounts payable department for each autologous bone or skull flap submitted to CTS for storage indicating on the invoice the purchase order number, patient initials, medical record number, and date of service. CTS shall submit such invoice periodically or after a billable service has been rendered or after each autologous tissue is submitted to CTS for storage, but in any event, not later than 30 days after the billable service has been rendered or an autologous tissue is submitted for storage by Hospital. Hospital shall certify the invoice for accuracy without undue delay, either in the requested amount or in such other amount as Hospital approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

Contractor shall submit invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services and receipt of a valid purchase order from Hospital. The invoice shall set forth the amount(s) claimed by Contractor, together with an itemized basis for the amounts claimed and such other information that may be necessary pertinent to the invoice. NMC shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

Hospital shall be responsible for paying any and all costs incurred by CTS in the collection of past due amounts under this agreement including collection, attorney, court and other reasonable costs as may be permissible by state law.

4. FEES

This fee schedule will continue for five years from the effective date of this Agreement. This Agreement shall not exceed $200,000. Hospital shall pay CTS for its participation in the Autograft Storage Program in accordance with the following fee schedule:

Hospital Autologous bone or skull flap storage fees for participating hospitals:

SERVICES	CHARGE	DESCRIPTION
Autologous storage kit and service.	$4275.00	The autologous bone or skull flap storage fee for original shipment from Hospital shall provide for continuously monitored frozen storage of the autologous bone or skull flap for a period of two (2) years. If kits are used and self-stored or stored at another facility CTS is entitled to charge for the services.
	$1075.00 for each additional one year continued storage term, or part thereof beyond the initial two-year term.	Continued storage beyond two years may incur an additional storage fee to be billed and payable annually at the beginning of the additional storage term.
Transfer to or from another hospitals inventory.	$ TBD Quoted at the time of service	7day / 24 hour

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Standard return shipping to Hospital.	$350.00	Return orders received during normal business hours, 7am to 5 pm PST M-F, and at least 24 hrs in advance with arrival of tissue 10:30 am to 5:00 pm. Deviations may incur additional shipment expense.
STAT Shipping Fee for same day return to hospital or requiring air freight, courier, or Fed/Ex First Overnight service.	$500.00	STAT charge is made in place of regular shipping charge; normal commercial shipping methods.
Improperly packaged tissue, or shipments packaged by Hospital that do not comply with CTS' packaging instructions and result in a shipment being refused or otherwise not accepted by an airline or common carrier shipper.	There shall be incurred by Hospital an additional stat shipping fee to cover the round-trip courier and handling fees required, together with a charge for an additional replacement autologous storage kit, as is necessary to properly tender the tissue. Charges shall be billed according to the then current fee in effect for the service during the year of this agreement.	The fee charged is for special handling and couriers which may be considerable, together with the fee for a replacement autologous storage kit as necessary when the tissue is rejected by an airline or common carrier due to improper packaging (usually leaking water caused by improper placement of out outside designated pouches or improper sealing of pouches by Hospital staff) by the Hospital requiring the tissue to be returned to the facility for repackaging by the Hospital's OR staff prior to being retendered to the airline or common carrier for transport.
Disposal of autologous tissue.	$100.00	Fee charged for disposal and documentation of autologous tissue as regulated Medical Waste (RMW).

5. RIGHT TO REFUSE

CTS reserves the exclusive right to refuse acceptance of any autologous tissue, or other tissue it is sent by Hospital, its physicians or staff without obligation or liability. CTS may exercise this right to refuse acceptance for several reasons, including but not limited to:

1. Failure by Hospital, its physicians and staff to timely and adequately notify CTS that an autologous bone or skull flap or other autograft tissue has been recovered and is ready for pick-up by CTS.
2. Failures by Hospital, its physicians and staff to timely make the autograft tissue accessible and available to CTS' staff or authorized representatives at the hospital for pick-up and retrieval for shipment to CTS.
3. Failure by Hospital, its physicians and staff to utilize the Autograft Preservation Kit and its contents. Deviation from using these materials must be done in a manner that is safe and suitable, and will not cause the possibility of personnel exposure to any communicable disease. Deviations from normal packaging materials and/or procedures must be done in conjunction with timely notice to CTS of a deviation and the nature of the deviation.
4. Failure by Hospital to fully complete the autograft preservation order form or to obtain the surgeon's or other authorized signature at the bottom of the form.
5. Failure by Hospital, its physicians and staff to follow CTS' instructions as provided and/or updated as to the correct packaging and shipment of autologous bone or skull flaps or other autograft tissue.
6. Improper and/or unsafe packaging of autologous bone or skull flaps or other autograft tissue by Hospital, its physicians and staff. Improper or unauthorized use of solutions, media, or other materials in the preparation or packaging of the autograft tissue. Infection of the tissue with a

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biological agent that would render it unsafe or dangerous despite using normally accepted procedures for handling donor tissue and Universal Precautions as published by the CDC.

7. Failure by Hospital to include the prescribed quantity of solidly frozen wet ice, or other suitable cold packs to the box containing the tissue for shipment to CTS, or in an adequate quantity, prior to making the shipping container available for pick-up by CTS or its authorized representative.

6. EXCLUSIVITY

CTS shall have the exclusive right to store autologous tissue for the Hospital. Hospital shall not use any other agency, firm or source for autologous bone or skull flap storage, during the term of this agreement. Should CTS become unable to accept additional autologous storage submissions due to regulatory action, natural disaster, or other unforeseeable circumstance Hospital shall have the right to submit and store autologous tissue with another agency or firm until such time as CTS is again able to receive submissions of autologous tissue.

7. ACCREDITATION/LICENSURE/FEDERAL REGISTRATION

CTS hereby represents and warrants that it is fully accredited by the American Association of Tissue Banks (AATB) and that it will maintain such accreditation throughout the term of this Agreement. CTS will comply with all standards of procedure and operation required by the AATB and all applicable federal regulations, including, without limitation, those found under 21 CFR 1271, and state laws and regulations throughout the term of this Agreement. CTS will maintain licensure by the California Department of Health Services as a Human Tissue Preservation Laboratory throughout the term of this agreement, and shall be registered from year to year with the United States Food and Drug Administration for the storage and distribution of human bone.

8. COMPLIANCE WITH STANDARDS

Hospital hereby represents and warrants to CTS that Hospital will comply with all regulations, standards of procedure, and operations required by the Joint Commission on Accreditation of Healthcare Organizations with oversight over Hospital, whether or not Hospital is accredited by the Joint Commission. Hospital will also comply will all applicable local, state, and federal laws and regulations throughout the term of this Agreement.

9. INSTRUCTION MODIFICATION

If Hospital modifies any documents that CTS has previously approved for Hospital's use in the autologous tissue procurement process, CTS must first approve all such modifications prior to their use by Hospital. CTS shall also have the right to require Hospital to use updated CTS forms as they are provided to Hospital or otherwise made available by CTS.

10. STATUS OF PATIENT

Hospital, its physicians, and agents shall notify timely CTS of the death of any patient that has provided a autologous tissue to CTS and that still has the autologous tissue banked with CTS' autograft storage program. Hospital shall notify CTS of any change of contact information it knows of for the treating physician for any patients that has autologous tissue on deposit with CTS. CTS shall periodically send patient status forms to the patient's treating physician to be completed by the treating physician regarding the disposal or continued storage of the autologous bone or skull flap being banked for the patient by CTS. Hospital, its physicians and agents shall timely and accurately complete the patient status forms and return them to CTS thereby instructing CTS on the continued storage or destruction of the autologous tissue stored. Failure to return these patient status forms accurately completed within sixty (60) days of receipt shall be considered a material breach of this Agreement.

If after two (2) years from the date of autologous tissue procurement and shipment of the autologous tissue to CTS for storage in the autograft storage program, CTS can no longer contact the patient, identify the patient's legal guardian, and cannot reasonably ascertain the patient's treating physician or a medical professional legally authorized to advocate on behalf of the patient CTS shall send a certified letter with return receipt to the address where the patient was last known to reside stating this fact and the intention of CTS to dispose of the autologous bone or skull flap being stored. CTS shall dispose of the autologous bone or skull flap as biomedical waste under the following conditions:

1) Thirty (30) days has passed after the receipt of the notice by the patient/the patient's legal guardian to make contact with CTS regarding continuing autograft tissue storage arrangements; or

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2) Thirty (30) days has passed after return of the letter as undeliverable by the US Postal Service and CTS has made reasonable attempts to locate the patient.

11. COMMENTS OR COMPLAINT NOTIFICATION

CTS and Hospital shall immediately notify the other party upon receipt of any adverse serological or bacteriological test results and/or any adverse reactions, or deviations from procedure either during the procurement or resulting from any use of human autograft tissue under this Agreement that becomes known to either party. In the event of an adverse reaction, Hospital will immediately notify CTS for determination of suitability of FDA or American Association of Tissue Banks adverse reaction notification.

12. BOOKS AND RECORDS

Hospital and CTS shall each maintain complete records on all of their sterilization, cleaning, procurement, testing, processing, distribution, and disposition procedures. Such records shall be made available during normal business hours for the other party's inspection upon not less than seven days prior written notice. Each party shall be responsible for its own expenses in conducting such inspection and/or audits. CTS shall have the right to inspect Hospital's physical facilities, procedures, and records relevant to the recovery of autologous bone and skull flaps. Such inspection shall be performed during regular business hours upon fourteen (14) days prior written notice. Hospital shall in good faith consider reasonable changes requested by CTS in any of the Hospital's relevant procedures related to the recovery, handling, shipping, and record keeping of autologous bone and skull flaps after an audit or inspection by CTS.

13. CONFIDENTIAL INFORMATION

Hospital shall not use in any way other than as required for the proper performance of its obligations under this Agreement and shall not provide to or disclose to any party any of the information given to it by CTS or otherwise acquired by the Hospital relating to CTS' products, processes, plans, records, documentation, forms, techniques, procedures, donor information, test results, customers, trade secrets or general business operations. Any information legally in Hospital's possession prior to disclosure to it by a CTS representative, which is lawfully published or which otherwise lawfully becomes a part of general knowledge from sources other than CTS, shall not be subject to the restrictions of this Section 13.

14. TERM and TERMINATION

This agreement shall be effective as of the latter date after being executed by both parties ("Effective Date") and shall continue for a period of 5 (five) years. The following provisions shall govern the right, duties and obligations of the parties upon termination of this Agreement however occurring:

a. Termination shall not release or affect, and this Agreement shall remain fully operative, as to any obligations or liabilities incurred by either party prior to the effective date of such termination; provided that all indebtedness of either party of any kind shall become immediately due and payable on the effective date of termination. Hospital may deduct from any sums it owes to CTS any sums owed by CTS to Hospital.

b. Termination of this Agreement shall not terminate any provision of this Agreement intended to survive termination, including but not limited to Section 13, 15, 23 and 24.

c. Either party may terminate this agreement with or without cause by providing the other party written notification by US Mail ninety (90) days prior to the date of termination.

15. DAMAGES

It is agreed by and between the parties that CTS is providing autograft tissue storage services as outlined in this agreement to Hospital, its patients, staff, and physicians as a community service. It is understood by all parties concerned that the services under this agreement are being rendered by CTS as, and by a non-profit corporation. Furthermore, it is agreed between the parties that CTS is in no way, and it shall not be construed under this agreement that CTS is in any way in control, in supervision, or direction of patient care, the surgical surroundings, surgical procedures, general medical arts or care that is rendered by Hospital, its staff and physicians to its patients, or the outcome of any surgical procedure performed that is related to this agreement. It is agreed by Hospital and CTS that CTS shall not be responsible for the procurement, packaging, shipment, processing of

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tissue if any, storage, return shipment, re-implant of tissue into the patient, or the success or failure of any procedure performed on or on behalf of the patient under this agreement or that is provided by CTS. Furthermore, it is agreed by Hospital and CTS that at no time shall it be construed by and between the parties that CTS is providing anything but a service, and that nothing under this agreement shall be deemed the sale or dispensing of a product, or any act or activity that is subject to the uniform commercial code. CTS makes no other express or implied warranties of any kind, including express or implied warranties of merchantability, as to the success or failure of the procurement, shipment, processing if any, storage, handling, return shipment, re-implantation, or as to any other handling or use of the autograft tissue that it is sent by Hospital, its physicians or staff. In no event shall CTS be liable for any direct, indirect, incidental, consequential, special, or other damages including, but not limited to any legal or court costs, attorney fees, or other forms of damages that would be reasonably contemplated by this agreement.
Notwithstanding terms, conditions or provisions to the contrary, any limitation(s) of liability, indemnity or remedies set forth herein do not apply in the event that the service(s) and/or product(s) provided by CTS result in injury or death to persons, or damage to real or personal property.

16. INDEPENDENT CONTRACTOR STATUS
Hospital and CTS shall act at all times under this Agreement as independent contractors, and neither party shall have any right or authority, express or implied to create or to assume any obligation on behalf of the other party hereto.

No relationship of employer and employee is created by this Agreement, it understood that CTS and its employees and subcontractors will act hereunder as independent contractors, not being subject to the direction and control of Hospital in their day to day provision of contract services. CTS shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of Hospital. Furthermore, CTS shall not have any claim under this Agreement or otherwise against Hospital for vacation pay, sick leave, retirement benefits, social security contribution, workers' compensation, disability or unemployment insurance benefits, or any other employee benefit of any kind.

17. LIMITATION ON ACTION
No action arising out of any transaction under this Agreement, regardless of cause or form, may be brought by either party under this Agreement against the other party more than two (2) years after the date the aggrieved party becomes reasonably aware of the event leading to the cause of action first accrues, but in no event after three (3) years after the date of the transaction

18. FORCE MAJEURE
Performance under this Agreement, or any part thereof, may be excused or delayed, and neither party shall be held in breach of any of its obligations under this Agreement or be liable for damages or offset resulting from such delay if such delay is due to causes beyond the reasonable control of the party such as, but not limited to, acts of God, acts of civil or military authority, terrorism, fires, floods, failure of electrical services or other public utilities, labor troubles, cancellation, delay, or unavailability of transportation, epidemics, war or riot.

19. TRANSPORTATION DELAY AND LOSS OF TISSUE
The parties to this agreement acknowledge and agree that transportation of autograft tissue shall be transported from Hospital to CTS by way of CTS employees, common carrier commercial transportation, airlines, couriers, shipping companies, and other subcontracted entities outside the direct control of Hospital or CTS. It is also agreed that unforeseen circumstances may cause undue delay or prevent the successful transport, preservation, storage, return shipment, or re-implantation of the autograft tissue by the employees and agents of Hospital and CTS. Therefore, it is understood and agreed that Hospital and CTS shall be excused from all obligation, liability, damages, economic loss, bodily harm, or even loss of life for any damage to the autograft or its loss, or for any circumstance or event that may render the autograft unusable or unsuitable for acceptance by CTS, processing, storage, return shipment, or for surgical re-implantation by Hospital that is caused by handling during transport, damage to external or internal packaging, damage caused by unforeseen delay in transit, loss, mysterious disappearance, exposure to toxic or noxious chemicals, freezing, thawing, excessive heat, heat wave, or due any other event or circumstance that may cause the autograft tissue from being successfully re-implanted into the patient, other than such event or circumstance caused by the gross negligence of CTS and its employees.

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The parties to this agreement acknowledge and agree that the storage of autograft tissue shall be done with all due care and recognition of the importance of all such tissue sent for storage and re-implantation. However, the parties recognize that circumstances may arise that are unforeseeable, or that cannot be prevented despite the application of reasonable resources and care. Therefore, it is understood and agreed that Hospital and CTS shall be excused from all obligation, liability, damages, economic loss, bodily harm, or even loss of life for any damage to the autograft or its loss, or for any circumstance or event that may render the autograft unusable or unsuitable for acceptance by CTS, processing, storage, return shipment, or surgical re-implantation by Hospital that is caused by the sudden mechanical breakdown of refrigerators, freezers, or other equipment that may be used in the handling, preservation, or storage of the tissue, or for the sudden unforeseen loss of public utilities, electrical service, roving blackouts, brownouts, or failure, malfunction, or loss of backup electricity systems or liquid CO2 backup systems for freezers and other equipment.

20. DESTRUCTION

As part of this agreement Hospital, its physicians and staff shall empower and permit, without objection or injunction, CTS to destroy and dispose of any autograft tissue sent to it by Hospital for storage provided CTS has first obtained from Hospital or the patient's treating physician, the patient, or the patient's legally authorized representative a signed request for destruction and disposal, or a signed authorization for the destruction and disposal of the tissue. CTS shall only destroy or dispose of any tissue sent to it by Hospital and that has been accepted by CTS for storage, by safe and legal means, and such destruction and disposal shall be performed in compliance with all applicable regulatory requirements for the County of San Diego and state of California. Hospital, its physicians and staff shall not unreasonably withhold authorization for the destruction and disposal of any autograft tissue stored by CTS. If CTS is unable to obtain a signed authorization for the destruction and disposal of any tissue sent to it by Hospital, its physicians and staff CTS shall have the right to charge Hospital for the continued storage of such tissue until such time that CTS has determined that it can legally destroy and dispose of the tissue.

21. RETURN OF TISSUE

CTS shall promptly return autograft tissue after it has received verbal telephonic instructions from an authorized representative of Hospital and a valid purchase order number for the return handling and shipping fees relating to the tissue stored. CTS shall have the right to have any order for the return of autograft tissue to Hospital concurrently followed-up with the order in writing via mail or fax to CTS' offices. All orders for return of autograft tissue shall be made with reasonable advance notice sufficient to allow CTS to safely transport the tissue to Hospital or other designated location without extraordinary means or jeopardizing the safety of personnel or the autograft. Generally, notice for the return of tissue shall be given to CTS by Hospital as soon as possible, but not later than 24 hours in advance prior to the time the tissue must arrive at the receiving location prior to the scheduled surgery. It is agreed by Hospital that tissue requested for return shall be sent for specific scheduled surgery dates, and shall not be ordered returned greater than 24 hours prior to the scheduled dates of re-implant of the tissue or for the continued day to day storage at Hospital.

CTS shall return autograft tissue pursuant to receiving proper legal demand from authorized parties (legal next of kin) and/or government agencies (Medical Examiner or County Coroner) to appropriate and suitable locations, and Hospital agrees that it shall be responsible for paying any return shipment and handling fees that CTS normally charges in addition to any extraordinary costs that CTS must incur as part of compliance with such orders unless other arrangements for payment have been made by the entity requesting or ordering the return.

22. PUBLICATION

No announcement, news release, public statement, publication or presentation relating to the existence of this Agreement, the subject matter herein, or either party's performance hereunder will be made without the other party's prior written approval, except as required by law. Neither party will, without the prior written consent of the other party, which shall not unreasonably be withheld: (a) use in advertising, publicity, promotional premiums or otherwise, any trade name, trademark, trade device, service mark, symbol, or other abbreviation, contraction or simulation thereof owned by the other party; or represent, either directly or indirectly, that any product or service of the other party is a product or service of the representing party.

Notwithstanding the foregoing, CTS understands and acknowledges that Hospital is subject to the California Public Records Act and the Ralph M. Brown Act.

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23. INSURANCE
Hospital shall obtain and maintain in force during the term of this Agreement, and for the extended period of its provisions, hospital liability insurance coverage (or adequate self-insurance to cover its liability under this agreement and equivalent in coverage and terms to a customary and usual hospital liability insurance policy with minimum limits as described herein), under a policy or policies issued by a carrier satisfactory to CTS, with minimum limits of $1,000,000 basic coverage plus $1,000,000 excess liability coverage on any such policy issued on a claim made basis and with minimum limits of $1,000,000 basic coverage with $4,000,000 excess liability coverage on any such policy issued on an occurrence basis with, in all cases, no more than a $50,000 deductible on any such policy. Maintenance of or failure to maintain such insurance or self-insurance shall not relieve Hospital of any liability under this Agreement.

Prior to commencement of this Agreement, the CTS shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained.

CTS shall obtain and maintain in force during the term of this Agreement products, completed operations and professional liability insurance coverage under a policy or policies issued by a carrier satisfactory to Hospital, with minimum limits of $2,000,000 per occurrence and $4,000,000 aggregate issued on a claims made basis with no more than a $50,000 deductible on any such policy. Maintenance of such insurance shall not relieve CTS of any liability under this Agreement.

CTS shall also obtain and maintain in force during the term of this Agreement Workers' Compensation Insurance, If CTS employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

CTS shall obtain and maintain in force during the term of this Agreement Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

24. INDEMNITY
To the extent allowable under law, each party agrees to indemnify and hold harmless the other, and the other's respective officers, directors, agents, contractors, representatives and employees and each of their affiliates from and against any and all liability, loss, and damages, and expenses associated therewith (including without limitation reasonable attorneys' fees and costs) where such liability, loss and damages have been finally adjudicated by a court of competent jurisdiction and only to the extent such liability, loss and damages were caused by or resulted from the negligent acts, errors or omissions of the indemnifying party, its contractors, shareholders, employees, or agents. This indemnity clause shall not be applicable to any liability, loss, and damages caused by the actions, failure, or negligence of third-party government agencies, or common carriers such as professional courier services and airlines.

25. GOVERNING LAW
This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to its choice of law provisions.

26. NOTIFICATION OF LEGAL CLAIMS
In the event Hospital or CTS has received knowledge of a legal claim in regard to any services provided by CTS or Hospital under this Agreement, or has been served with or has knowledge of a lawsuit filed in regard to any services provided by CTS or Hospital under this Agreement the party in possession of the knowledge or that has been served with a lawsuit shall promptly within fourteen (21) calendar days notify the other party and shall provide a copy of the complaint to be sent by certified mail return receipt if so served. Failure to comply with this provision shall be deemed by the parties to be a material breach of this Agreement.

27. HEALTHCARE REGULATORY

a. Use of Outside Resources. Pursuant to Title 22 of the Licensing and Certification of Health Facilities and Referral Agencies of the State of California in respect to Section 70713 Use of Outside Resources,

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the parties agree that Hospital retains professional and administrative responsibility for the services rendered and will comply with all other requirements of Section 70713.

b. Fraud & Abuse & OIG Compliance with Medicare/Medicaid Exclusion Rules. It is acknowledged that the Hospital's Compliance Program applies to the services and obligations described herein. This program is intended to prevent compliance concerns such as fraud, abuse, false claims, excess private benefit and inappropriate referrals. This compliance program requires and it is hereby agreed that any regulatory compliance concerns shall be promptly reported either to an appropriate manager or through the hotline (800-850-2551). CTS represents and warrants that it and its employees or agents are not and at no time have been debarred or excluded from participation in any federally funded health care program, including Medicare and/or Medicaid. CTS hereby agrees to immediately notify Hospital of any threatened, proposed or actual exclusion of itself, an employee or agent from any federally funded health care program, including Medicare and/or Medicaid. Failure to abide by these compliance requirements shall immediately and automatically terminate this Agreement.

c. No Physician Ownership. CTS hereby represents and warrants to Hospital that no physician, no physician organization and/or no member of a physician's immediate family (1) owns or holds an ownership in CTS; (2) has a financial interest in CTS or (3) has any type of financial relationship with CTS.

d. Conflict of Interest Disclosure. CTS represents and warrants that neither CTS nor any affiliate of CTS nor any officers, directors, employees, partners, members, owners or shareholders of CTS or any affiliate of CTS is related to, affiliated in any way with, or employs (or otherwise has a compensation interest with) any officer, director or employee of Hospital.

e. Licenses. CTS will provide Hospital with copies of all applicable state and federal licenses and certifications required to lawfully conduct its business in California. It is a condition precedent to performance by either party hereunder that all such CTS licenses and certifications are valid and current. CTS agrees that it will ensure, verify, and confirm that all employees or agents performing under its control have the proper licenses, trainings, qualifications, and competencies required to perform the job for which they have been hired.

f. Compliance with Laws. In the performance of the duties required under this Agreement, both parties shall comply with all applicable laws, ordinances, and codes of local, state and federal governments, including but not limited to the Health Insurance portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH), California Confidentiality of Medical information Act (COMIA), California Information Practices Act (IPA), California privacy laws detailed in the California Health and Safety Code as a result of AB 211 and SB 541 regarding misuse of patient information, as well as The Joint Commission standards.

g. Jeopardy. If the performance by a Party hereto of any term, covenant, condition or provision of this Agreement (i) jeopardizes the licensure of any facility owned, operated or managed by Hospital or any of its affiliates (collectively "Facility"),(ii) jeopardizes participation in Medicare, Medi-Cal or other reimbursement or payment programs, (iii) jeopardizes the full accreditation of any facility by the Joint Commission on Accreditation of Healthcare Organizations or any other state or nationally recognized accreditation organization, (iv) jeopardizes the tax-exempt status of Hospital or any financing of Hospital or (iv) violates any statute or ordinance, or is otherwise deemed to have acted illegally, or is deemed unethical by any recognized body, agency, or association in the medical or hospital fields (collectively, a "Jeopardy Event "), then the parties shall meet forthwith and shall use their best efforts to negotiate an amendment to this Agreement to remove or negate the effect of the Jeopardy Event. If the parties are unable to negotiate such an amendment within five (5) business days following written notice by Hospital of the Jeopardy Event, then Hospital may terminate this Agreement immediately, followed by written Notice of Suspension.

h. Books and Records. In accordance with state and federal law, CTS and Hospital agree that until the expiration of five (5) years after the furnishing of services provided under this Agreement, CTS will retain and make available to the State of California, the Secretary of the United States Department of Health and Human Services (the "Secretary") and the United States Comptroller General, and their duly

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authorized representatives, this Agreement and all books, documents and records necessary to verify the nature and costs of those services, provided that access is required by cited law and regulations, and further provided that the request for such access complies with the procedural requirements of these regulations.

If CTS carries out any of the duties of this Agreement through a subcontract with a value or cost of $10,000 or more over a twelve (12) month period with a related organization, the subcontract will also contain an access clause to permit access by the Secretary, the United States Comptroller General and their representatives to the related organization's books and records. This paragraph shall not, however, be construed to permit services to be rendered thereunder by any person or entity other than CTS, without the approval of Hospital. Further, no attorney-client or other legal privilege will be deemed to have been waived by Hospital or CTS by virtue of this Agreement.

i. Responsibility for Contract. In the event that subcontracting is permitted and utilized by CTS under this Agreement, CTS retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for performance in accordance with the terms of the Agreement and insuring the availability and retention of records of subcontractors in accordance with this Agreement. The preceding does not create a right to subcontract nor does it grant the CTS permission to subcontract work not otherwise expressly permitted to be subcontracted under the terms of the Agreement.

j. Right to Audit and Confirm Compliance. Upon reasonable written notice to CTS, Hospital may inspect relevant portions of CTS's records to verify CTS's compliance with this Agreement. Any failure by Hospital to inspect such records will not be construed as a waiver of any of Hospital's rights and remedies set forth herein.

k. Severability. If any provision of this Agreement is held to be invalid, illegal, unenforceable or otherwise inoperative, the remainder of this Agreement shall remain in full force and effect as if said provision were not included in this Agreement.

26. MISCELLANEOUS

a. This Agreement contains the entire agreement between the parties and supersedes any and all other oral or prior written agreements or understandings. This Agreement may not be amended except by a written document signed by both parties.

b. All notices required or desired to be given under this Agreement shall be deemed delivered when deposited in U.S. Certified Mail, return receipt requested, postage prepaid, addressed to the recipient at the address indicated in the signature page of this Agreement or at such other address as the recipient may hereafter provide to the other party hereto.

Notice to CTS:

California Transplant Services, Inc.
dba SafetyGraft
Daryl Lirman, President and CEO
5845 Owens Avenue
Carlsbad, CA 92013-0815

Notice to Hospital:

County of Monterey
Natividad Medical Center
Legal Services Department
1441 Constitution Blvd.
Salinas, CA 93906

c. The services provided herein are exempt from HIPPA authorization requirements under HHS Regulations: Uses and Disclosures for Organ, Eye or Tissue Donation Purposes - § 164.512(h).

d. It is the objective of CTS and the SafetyGraft autologous tissue storage service to run smoothly, without incident or error, and for the benefit of Hospital and patient. Toward achieving this goal, CTS makes available periodic in-service training for Hospital's surgical staff. Hospital shall make available appropriate operating room staff for periodic in-service training at times convenient to both Hospital and CTS. There shall be no additional charge to Hospital or staff for this in-service training.

e. This Agreement may not be assigned by either Party without the prior written consent of the other Party, which shall not be unreasonably withheld.

For Hospital:

By: _____
County of Monterey on the behalf of Natividad Medical Center

Date: _____

For CTS:

By: _____
Daryl Lirman, President and CEO
California Transplant Services, Inc.

Date: 04/14/2023

END OF TERMS AND CONDITIONS

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AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN CALIFORNIA TRANSPLANT SERVICES, INC. dba SAFETYGRAFT AND THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
TISSUE BANK STORAGE

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on June 13, 2023 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and California Transplant Services, Inc. dba SafetyGraft ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Tissue Bank Storage Services with a term January 1, 2023 through December 31, 2025 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to extend it for an additional three (3) year period (January 1, 2026 through December 31, 2028) for a revised Agreement term January 1, 2023 through December 31, 2028 to allow for services to continue with a $250,000 increase for a total Agreement amount of $450,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. ***The second sentence of the first Paragraph, shall be amended by removing:***
   "The term of this agreement shall commence on the effective date, which is the date of execution and shall expire five (5) years thereafter unless sooner terminated by either party with or without cause by giving one hundred eighty (180) days prior written notice to the other party. For purposes of this Agreement, the effective date shall be the last date executed below."

   and replacing it with:
   "The term of this agreement is from January 1, 2023 through December 31, 2028 unless sooner terminated by either party with or without cause by giving one hundred eighty (180) days prior written notice to the other party."

2. ***Section 4 / Paragraph titled, "Fees" shall be amended by removing:***
   "This fee schedule will continue for five years from the effective date of this Agreement. This Agreement shall not exceed $200,000. Hospital shall pay CTS for its participation in the Autograft Storage Program in accordance with the following fee schedule:"

SERVICES	CHARGE	DESCRIPTION
Autologous storage kit and service.	$4275.00	The autologous bone or skull flap storage fee for original shipment from Hospital shall provide for continuously monitored frozen storage of the

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	$1075.00 for each additional one year continued storage term, or part thereof beyond the initial two-year term.	autologous bone or skull flap for a period of two (2) years. If kits are used and self- stored or stored at another facility CTS is entitled to charge for the services. Continued storage beyond two years may incur an additional storage fee to be billed and payable annually at the beginning of the additional storage term.
Transfer to or from another hospitals inventory.	$ TBD Quoted at the time of service	7day / 24 hour
Standard return shipping to Hospital.	$350.00	Return orders received during normal business hours, 7am to 5 pm PST M-F, and at least 24 hrs in advance with arrival of tissue 10:30 am to 5:00 pm. Deviations may incur additional shipment expense.
STAT Shipping Fee for same day return to hospital or requiring air freight, courier, or Fed/Ex First Overnight service.	$500.00	STAT charge is made in place of regular shipping charge; normal commercial shipping methods.
Improperly packaged tissue, or shipments packaged by Hospital that do not comply with CTS' packaging instructions and result in a shipment being refused or otherwise not accepted by an airline or common carrier shipper.	There shall be incurred by Hospital an additional stat shipping fee to cover the round-trip courier and handling fees required, together with a charge for an additional replacement autologous storage kit, as is necessary to properly tender the tissue. Charges shall be billed according to the then current fee in effect for the service during the year of this agreement.	The fee charged is for special handling and couriers which may be considerable, together with the fee for a replacement autologous storage kit as necessary when the tissue is rejected by an airline or common carrier due to improper packaging (usually leaking water caused by improper placement of out outside designated pouches or improper sealing of pouches by Hospital staff) by the Hospital requiring the tissue to be returned to the facility for repackaging by the Hospital's OR staff prior to being retendered to the airline or common carrier for transport.
Disposal of autologous tissue.	$100.00	Fee charged for disposal and documentation of autologous tissue as regulated Medical Waste (RMW).

and replacing it with:

"This fee schedule will continue from January 1, 2023 through December 31, 2028. This agreement shall not exceed $450,000. Hospital shall pay CTS for its participation in the Autograft Storage Program in accordance with the following fee schedule:"

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SERVICES	CHARGE	DESCRIPTION
Autologous storage kit and service. Additional one (1) year storage after two (2) years. SG-1103	$4695.00 $1125.00 for each additional one year continued storage term, or part thereof beyond the initial two-year term.	The autologous bone or skull flap storage fee for original shipment from Hospital shall provide for continuously monitored frozen storage of the autologous bone or skull flap for a period of two (2) years. If kits are used and self-stored or stored at another facility CTS is entitled to charge for the services. Continued storage beyond two years may incur an additional storage fee to be billed and payable annually at the beginning of the additional storage term.
Transfer from other hospitals inventory. SG-1110	$4,695	7day / 24 hour
Transfer from other hospitals inventory out of state to your facility for surgery. SG-1113	$4,995	7day / 24 hour
Standard shipping to Hospital. SG-1200	$500.00	Return orders received during normal business hours, 7am to 5 pm PST M-F, and at least 24 hrs. in advance with arrival of tissue 10:30 am to 5:00 pm. Deviations may incur additional shipment expense.
STAT Shipping Fee for same day return to hospital or requiring air freight, courier, Fed/Ex First Overnight service or an employee flight and overnight expenses. SG-1201	$750.00	STAT charge is made in place of regular shipping charge; normal commercial shipping methods.
Improperly packaged tissue, or shipments packaged by Hospital that do not comply with CTS' packaging instructions and result in a shipment being refused or otherwise not accepted by an airline or common carrier shipper. SG-1203	There shall be incurred by Hospital an additional stat shipping fee to cover the round-trip courier and handling fees required, together with a charge for an additional replacement autologous storage kit, as is necessary to properly tender the tissue. Charges shall be billed according to the then current fee in effect for the service during the year of this agreement.	The fee charged is for special handling and couriers which may be considerable, together with the fee for a replacement autologous storage kit as necessary when the tissue is rejected by an airline or common carrier due to improper packaging (usually leaking water caused by improper placement of out outside designated pouches or improper sealing of

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		pouches by Hospital staff) by the Hospital requiring the tissue to be returned to the facility for repackaging by the Hospital's OR staff prior to being retendered to the airline or common carrier for transport.
Disposal of autologous tissue. SG-1220	$125.00	Fee charged for disposal and documentation of autologous tissue as regulated Medical Waste (RMW).

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

4. A copy of this Amendment No. 1 shall be attached to the Agreement.

5. This Amendment No. 1 shall be effective when both parties have signed.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 8/12/2025 | 10:50 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E67454F6...
Monterey County Deputy Auditor/Controller

Date: 8/12/2025 | 1:11 PM PDT

CONTRACTOR

California Transplant Services, Inc. dba SafetyGraft
CONTRACTOR's Business Name
See instructions below

By: _____
(Signature of: Chair, President, or Vice-President)

Daryl Lirman, President and CEO
Name and Title

Date: 07/21/2025

By: Marc Pablo Digitally signed by Marc Pablo DN: cn=Marc Pablo, o=California Transplant Services, Inc., ou, email=mpablo@catransplant.org, c=US Date: 2025.07.21 15:04:09 -07'00'
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Marc Pablo, Sr. Vice President, Corp Secretary
Name and Title

Date: 07/21/2025

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Natividad MEDICAL CENTER

County of Monterey Agreement for Services
(Not to Exceed $200,000)

This Agreement (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center, an acute care hospital ("COUNTY"), and Health Management Associates, Inc. hereinafter "CONTRACTOR (collectively, COUNTY and CONTRACTOR are referred to as the "Parties.").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED; COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in conformity with the terms of the Agreement. The services are generally described as follows: Consulting services pertaining to patient alignment, county ambulatory clinics, and health plan member access

PAYMENTS BY COUNTY; COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of $200,000.

TERM OF AGREEMENT; the term of this Agreement is from March 1, 2025 through February 28, 2027 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

COUNTY reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS; the following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions
Addendum No. 1
Business Associates Agreement ("BAA")

1. PERFORMANCE STANDARDS:

1.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

1.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

1.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or

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supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

2. PAYMENT CONDITIONS:

2.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. COUNTY (Monterey County) does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

2.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

2.3. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to COUNTY. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

2.4. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

3. TERMINATION:

Initial
March 4, 2025 | 11:06 PST

DS
4/22/2025 | 9

3.1. ~~During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.~~

Initial
March 4, 2025 | 11:06 PST

3.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

4. INDEMNIFICATION:

4.1. CONTRACTOR shall indemnify, defend, and hold harmless COUNTY (hereinafter "COUNTY"), its officers, agents and employees from any claim, liability, loss injury or damage arising out of, or in connection with, performance of this Agreement by CONTRACTOR and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the COUNTY. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. The CONTRACTOR shall reimburse the COUNTY for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless the COUNTY under this Agreement.

5. INSURANCE:

5.1. Evidence of Coverage:

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Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

5.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

5.3. Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

5.4. Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.5. Business Automobile Liability Insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $500,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.6. Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.7. Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California

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Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

6. Other Insurance Requirements:

6.1. All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

6.2. Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

6.3. **Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds** with respect to liability arising out of the Contractor's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance**.

6.4. Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that CONTRACTOR has in effect the insurance required by this Agreement. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

6.5. CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

7. RECORDS AND CONFIDENTIALITY:

7.1. Confidentiality: CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure

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of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

7.2. COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

7.3. Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

7.4. Access to and Audit of Records: COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

8. Royalties and Inventions: COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

9. Non-Discrimination: During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

10. Compliance with Terms of State or Federal Grant: If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

11. Independent Contractor: In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of

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Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

12. Notices: Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below.

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: Health Management Associates, Inc. Attn: Jeffrey M. DeVries Address: 2501 Woodlake Cir, Ste 100 City, State, Zip: Okemos, Michigan 48864 FAX: Email: contracts@healthmanagement.com

MISCELLANEOUS PROVISIONS:

13.1 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

13.2 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the Contractor.

13.3 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

13.4 Contractor. The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

13.5 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

13.6 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

13.7 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

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13.8 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

13.9 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

13.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

13.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

13.12 Non-exclusive Agreement. This Agreement is non-exclusive and both COUNTY and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

13.13 Construction of Agreement. COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

13.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

13.15 Integration. This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

13.16 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

Signature Page to follow

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COUNTY OF MONTEREY, FOR THE PROVISION OF SERVICES FOR NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles Harris 4E1F837D204E481...
Charles R. Harris, CEO Natividad

Date: 4/22/2025 | 9:19 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 606D21D44C4341D...
Monterey County Deputy County Counsel

Date: 4/22/2025 | 7:22 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF04E57454F6...
Monterey County Deputy Auditor/Controller

Date: 4/22/2025 | 8:16 AM PDT

CONTRACTOR

Health Management Associates, Inc.
Contractor's Business Name*** (see instructions)

Signed by: Kelly Johnson 7533E7CBA7A5470...
Signature of Chair, President, or Vice-President

Kelly Johnson — Chief Administrative Officer
Name and Title

Date: March 4, 2025 | 11:06 PST

By: DocuSigned by: Jeff Wink 7155003ED6E14A8...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Jeff Wink — Chief Financial
Name and Title

Date: 2/12/2025 | 11:04 AM EST

***__Instructions__:

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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SCOPE OF SERVICES

HMA will provide the following services and any other tasks, as requested:

HMA will provide an array of consulting services as requested by Natividad Medical Center, including:

- Financial, operational, or strategic analysis of the County of Monterey Health System, as requested by Natividad Medical Center.
- Provide management support, including development of work plans, meeting facilitation, and problem-solving on activities to improve patient care alignment of Natividad Medical Center and County of Monterey Health System.
- Perform a productivity review to ensure efficiency and optimization of staffing and workflows. The review will include reviewing existing units of service, available California public hospital staffing benchmarks, and national staffing benchmarks where appropriate to develop unit specific profiles for each identified unit. Reviews can be performed onsite or remote depending on client needs.
    - » HMA will work with Natividad Medical Center on developing an interview schedule. HMA intends to conduct in person interviews of five to six departments a day, a mix of large and small departments, three days a week for three weeks. The interview schedule can be modified at the request of Natividad Medical Center and HMA will attempt to accommodate all requests. Departments unable to be interviewed in person will be interviewed via video conferencing services like Zoom or Teams.
        - » HMA will request data prior to the on-site visits for Natividad Medical Center to share, including current productivity reports for the last 12 months and existing benchmarks and units of services utilized by Natividad Medical Center. Additional data requests may be forthcoming depending on information gathered during the on-site visits.

DELIVERABLES

Pursuant to the Scope of Services discussed above, we will provide the following deliverables:

- Assign key HMA personal to lead consulting projects requested by Natividad Medical Center or Monterey county
- Develop project, scope, and communication plans with key Monterey county staff to ensure project objectives are developed and met
- Written reports, as determined by Monterey county, with findings and recommendations for each consulting project

STAFFING

Jonathan Freedman will serve as the project director. Matthew Sandoval will service as the project manager and will ensure timely completion of deliverables, coordinate team activities, and provide consistent communication with Natividad Medical Center. Mr. Sandoval will be the primary staff on this project. Additional HMA staff will provide services for the project as appropriate.

Short biographies for the individuals who will work on this project, along with an overview of HMA, are provided at the end of this letter.

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TERM OF AGREEMENT

This Agreement will begin on March 1, 2025 and shall continue in effect until February 28, 2026.

PROJECT FEES

The services described above will be provided on a time-and-materials basis. In addition, all out-of-pocket expenses will be reimbursed. Professional hourly rates and travel time will be billed as indicated in the table below. Based on the currently available information, we estimate professional fees and travel time will not exceed $200,000, including expenses during this contract period. As the project progresses, additional requests are made, or the scope evolves, we will provide updated estimates on the overall professional fees and expenses if necessary. We will submit invoices monthly for services provided in the previous month. County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the Monterey County Travel and Business Expense Reimbursement Policy. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/disbursements To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

Title	Professional Hourly Rates	Travel Time Rates
Physician Principal	$510	$315
Managing Principal/Director/Vice President	$450	$280
Principal	$435	$270

Title	Professional Hourly Rates	Travel Time Rates
Associate Principal	$395	$245
Senior Consultant	$355	$220
Consultant	$245	$150
Research Associate	$185	$115
Administrative, Clerical, and Support Staff	$125	$65

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STAFF EXPERIENCE

Jonathan Freedman, MSPH, Senior Vice President of Business Development and Culture

Jonathan Freedman works with plans, providers, associations, and governmental and non-governmental entities in the areas of public health, safety-net healthcare, and public policy. His work focuses on strategic planning, public health improvement and transformation, and the healthcare safety net.

Before joining HMA, Mr. Freedman served as chief of strategy at L.A. Care Health Plan, the largest publicly operated health plan in the nation with more than two million members. In this capacity, he managed strategic planning, government relations, communications, compliance, and community benefits. He led L.A. Care's entry into the commercial market with the launch of L.A. Care Covered on the California health insurance marketplace, Covered California. He was also intimately involved with L.A. Care's substantial growth related to the Medicaid expansion and a dual demonstration known as CalMediConnect.

Prior to joining L.A. Care Health Plan, Mr. Freedman held a variety of management and leadership roles for more than 25 years with the County of Los Angeles, including chief deputy director of the Los Angeles County Department of Public Health, a $1 billion agency with 4,000 staff. His other roles included managing the county's state and federal legislative programs, directing the Medicaid Demonstration Project (1115 waiver) for the county; and serving as an assistant deputy for health, welfare and environmental issues to Supervisor Ed Edelman, a former member of the Los Angeles County Board of Supervisors.

Mr. Freedman has led many high-profile initiatives, including the public health response to the 1994 Northridge earthquake; Los Angeles County's Master Tobacco Settlement negotiation; solutions to funding crises in the Los Angeles County safety net; and the 2010 H1N1 influenza response.

He has also led many special projects on behalf of the Los Angeles County Board of Supervisors and chief executive officer including negotiating the county's interests in California Medicaid waivers; revenue and tax options for local government; workers' compensation and pension reform legislation; developing a successful partnership between Los Angeles and the University of California to re-open the MLK Hospital in South Los Angeles; and negotiating state-county fiscal and program realignment.

He has received outstanding leadership awards from the California State Association of Counties and Los Angeles County. He is a lecturer at the University of California, Los Angeles Fielding School of Public Health, and a contributor to three books on public health practice – *Public Health Leadership* (Routledge Press, 2017), *Public Health Practice: What Works* (Oxford Press, 2012), and *Global Biosecurity: Threats and Responses* (Routledge Press, 2010).

Mr. Freedman earned a bachelor's degree in political science and a master's degree in public health from the University of California, Los Angeles.

Matthew Sandoval, CPHQ, CJCP, FACHE, Principal

Matthew Sandoval is an accomplished leader in healthcare with a proven track record of managing the administration, operations, and quality outcomes in large hospital systems.

Prior to joining HMA, Mr. Sandoval was chief quality officer and interim chief operating officer at Lakewood Regional Medical Center in Lakewood, California. He oversaw quality outcomes for 172 bed acute care hospital and led a team of 10 directors covering ancillary departments including laboratory, respiratory therapy, radiology, pharmacy, facilities and biomed, as well as physical, occupational and

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speech therapy, and dietary and environmental service. Mr. Sandoval was responsible for the hospital's regulatory response from outside agencies, including the California Department of Health, Centers for Medicare and Medicaid Services, and The Joint Commission. He also designed the hospitals' COVID-19 response, managing changes in guidance from the Centers for Disease Control and Prevention and Los Angeles County Department of Public Health. He successfully executed the hospitals' COVID-19 vaccine response clinics.

As chief deputy director and chief operating officer at Ventura County Healthcare Agency and Ventura County Medical Center and Santa Paula Hospital, Mr. Sandoval served as an operations leader and second in command with assumed oversight of the public health, behavioral health, hospitals, ambulatory care, medical examiner's office, Ventura County Health Plan, and Animal Services of Ventura County in the absence of the director. He supervised an annual budget of $850 million and coordinated a successful joint commission hospital accreditation survey. Mr. Sandoval also assisted in the overall ambulatory clinic operations of 15 hospital based clinics, five exempt clinics, and 23 federally qualified healthcare centers through monthly financial reviews.

Previously, Mr. Sandoval served as an assistant hospital supervisor at Arrowhead Regional Medical Center in Colton, California. He was responsible for the performance improvement, infection control, the medical staff office, the medical library, risk management, the cancer registry, regulatory and patient safety departments. Mr. Sandoval completed a successful general acute care relicensing survey conducted by the California Department of Public Health, implemented a strategic plan to reduce hospital infection rates through compliance with evidenced based practices, and initiated a culture of safety program with Beta Healthcare Group to implement a Just Culture program within 18 months. He also set strategic priorities to include the implementation of TeamSTEPPS training in the emergency, labor and delivery, and operating room departments.

Mr. Sandoval earned a master's degree in health administration and a bachelor's degree in psychology from the University of Southern California, Los Angeles. He is a Certified Professional in Healthcare Quality (CPHQ), a Certified Joint Commission Professional (CJCP), and a Fellow of the American College of Healthcare Executives.

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ADDENDUM NO. 1

TO AGREEMENT BY AND BETWEEN HEALTH MANAGEMENT ASSOCIATES, INC. AND THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER FOR CONSULTING SERVICES PERTAINING TO PATIENT ALIGNMENT, COUNTY AMULATORY CLINICS AND HEALTH MEMBER PLAN ACCESS

This Addendum No. 1 amends, modifies, and supplements the County of Monterey Agreement for Services (hereinafter "Agreement") by and between Health Management Associates, Inc. (hereinafter "CONTRACTOR") and the County of Monterey, on behalf of Natividad Medical Center (hereinafter "NMC"). This Addendum #1 has the full force and effect as if set forth within the Terms. To the extent that any of the terms or conditions contained in this Addendum #1 may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum #1 shall take precedence and supersede the attached Agreement.

NOW, THEREFORE, NMC and CONTRACTOR agree that the Agreement terms and conditions shall be amended, modified, and supplemented as follows:

I. Section 3.1, TERMINATION. Section 3.1 is hereby deleted in its entirety and replaced with the following:

During the term of this Agreement, either party may terminate the Agreement for any reason by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this agreement shall be reduced in proportion to the services provided prior to the date of termination.

Signature page to follow.

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Addendum No.1 on the basis set forth in this document and have executed this Addendum No. 1 the day and year set forth herein.

Natividad Medical Center	**Health Management Associates, Inc.**
DocuSigned by: Charles Harris 4E1F837D204E484...	Signed by: Kelly Johnson 7608E7CBA7A5479...
Charles R. Harris, Interim CEO	Signature of Chair, President or Vice-President
4/22/2025 | 9:19 AM PDT	Kelly Johnson Chief Administrative Officer
Date	Printed Name and Title
	March 4, 2025 | 11:06 PST
	Date
Approved as to Legal Provisions:	DocuSigned by: Jeff Wink 7155003ED6E14A8...
Signed by: Stacy Saetta 696D21D44C4341D...	Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer
Monterey County Deputy County Counsel	Jeff Wink Chief Financial Officer
4/22/2025 | 7:22 AM PDT	Printed Name and Title
Date	2/12/2025 | 11:04 AM EST
	Date
Approved as to Fiscal provisions:	Signature Instructions
DocuSigned by: Patricia Ruiz E79EF64E5E7454F6...	For a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
Monterey County Chief-Deputy Auditor-Controller	
4/22/2025 | 8:16 AM PDT	
Date	

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Glenn Church to:

Agreement No.: A-17260
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute a Business Associate Agreement (BAA) with Health Management Associates.
b. Approve the NMC's Chief Executive Officer's recommendation to accept the non-standard provisions of the BAA.

PASSED AND ADOPTED on this 15th day of April 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Daniels
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting April 15, 2025.

Dated: April 16, 2025
File ID: A 25-085
Agenda Item No.: 43

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective March 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Health Management Associates, Inc. ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

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1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

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(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within ten (10) calendar days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

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(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) calendar days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) calendar days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

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that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

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4.1 **Term**. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 **Termination**. If a Party determines in good faith that Business Associate has breached a material term of this the other Party has breached a material term of this Addendum, the non-breaching Party may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of breaching Party's receipt of written notice of such breach, if the breach is not cured to the satisfaction of the non-breaching Party.

4.3 **Automatic Termination**. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 **Effect of Termination**. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 **Survival**. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 **Amendments; Waiver**. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

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Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Health Management Associates, Inc.
Attn: Kelly Johnson, Chief Administrative Officer
2501 Woodlake Cir, Ste 100, Okemos, Michigan 48864

Phone: 517-482-9236
Fax:

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

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5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a material violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

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5.12 **Audit or Investigations**. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE

By: Signed by: Kelly Johnson 753E7CBA7A5470...

Print Name Kelly Johnson

Print Title Chief Administrative Officer

Date: March 4, 2025 | 11:06 PST

COVERED ENTITY

By: DocuSigned by: Charles Harris 4E1E837D204E481...

Print Name: Charles Harris

Print Title: CEO

Date: 4/22/2025 | 9:19 AM PDT

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AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN HEALTH MANAGEMENT ASSOCIATES, INC. AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
CONSULTING SERVICES

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on April, 22, 2025 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Health Management Associates, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Consulting and Services with a term March 1, 2025 through February 28, 2027 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to add an additional $300,000 for a revised total Agreement amount of $500,000 with no changes to the scope or term of Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $500,000"

2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

3. A copy of this Amendment No. 1 shall be attached to the Agreement.

4. This Amendment No. 1 shall be effective when both parties have signed.

Docusign Envelope ID: 2375CB1F-19B5-4497-B9D8-CBF0686E9A28

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D... _____
Monterey County Deputy County Counsel

Date: 7/29/2025 | 9:24 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6... _____
Monterey County Deputy Auditor/Controller

Date: 7/30/2025 | 7:42 AM PDT

CONTRACTOR

Health Management Associates, Inc.

CONTRACTOR's Business Name
See instructions below

By: Signed by: Kelly Johnson 7533E7CBA7A5470... _____
(Signature of: Chair, President, or Vice-President)

Kelly Johnson Chief Administrative Officer
Name and Title

Date: 7/21/2025 | 2:26 PM PDT

By: DocuSigned by: Jeff Wink 7155003ED6E14A8... _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Name and Title

Date: 7/29/2025 | 12:04 PM EDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Wendy Root Askew to:

Agreement No. A-14059 ; Amendment No.: 4
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 4 to the agreement (A-14059) with Waltz Creative LLC for marketing and graphic design services, extending the agreement an additional one (1) year period (August 1, 2024 through July 31, 2025) for a revised full agreement term of August 1, 2018 through July 31, 2025, and adding $225,000 for a revised total agreement amount not to exceed $1,850,000.

PASSED AND ADOPTED on this 30th day of April 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting April 30, 2024.

Dated: April 30, 2024
File ID: A 24-172
Agenda Item No.: 16

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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DocuSign Envelope ID: 5F5A76D2-E6DB-4FAE-9453-619CDE9830CA

AMENDMENT NO. 4
TO SERVICES AGREEMENT
BETWEEN WALTZ CREATIVE LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
MARKETING AND GRAPHIC DESIGN SERVICES

This Amendment No. 4 to the Services Agreement ("Agreement") which was effective on August 1, 2018 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Waltz Creative LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Parties entered into an Agreement for Marketing and Graphic Design Services pursuant to RFP #9600-79 with a three (3) year term ending July 30, 2021, with the option to extend for two (2) additional one (1) year periods, in which the Monterey County Board of Supervisors approved a total aggregate amount not to exceed $975,000 for all Agreements awarded per RFP #9600-79 for Marketing and Graphic Design Services; and

WHEREAS, the Parties amended the Agreement on June 15, 2021 via Amendment No. 1 to extend the term through July 31, 2022 to allow for services to continue with no changes to the original scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,175,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, CONTRACTOR legally changed the business name to Waltz Creative LLC; and

WHEREAS, the Parties amended the Agreement via Amendment No. 2 to extend it for an additional one (1) year period through July, 31, 2023 to allow for services to continue with additions to the original scope of work attached hereto as "Exhibit A-2 per Amendment No. 2" with a $250,000 for a total aggregate amount of $1,425,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Agreement expired on July 31, 2023; and

WHEREAS, the Parties renewed and amended the Agreement via Renewal and Amendment No. 3 on the same or similar terms, beginning August 1, 2023 and to extend it for an additional one (1) year period through July, 31, 2024 for a revised full Agreement term of August 1, 2018 through July 31, 2024 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $200,000 for a total aggregate amount of $1,625,000 for all Agreements awarded per RFP #9600-79; and

WHEREAS, the Parties currently wish to amend the Agreement via Amendment No. 4 to extend the term for an additional one (1) year period through July 31, 2025 for a revised full Agreement term of August 1, 2018 through July 31, 2025 to allow for services to continue with no changes to the scope of work or billing rates with an increase of $225,000 for a total aggregate amount of $1,850,000 for all Agreements awarded per RFP #9600-79; and

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AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1, Amendment No. 2, and Renewal and Amendment No. 3 incorporated herein by this reference, except as specifically set forth below.

1. **Section 4.1 under "TERM OF AGREEMENT" shall be amended to the following:**
   "The term of this Agreement is from August 1, 2018 through July, 31, 2025 unless sooner terminated pursuant to the terms of this Agreement."

2. **Paragraph titled "COMPENSATION AND PAYMENTS" shall be amended to include:**
   "5.7. The aggregate total amount payable by COUNTY under all Agreements awarded per RFP 9600-79 for Marketing and Graphic Design services is not to exceed the sum of $1,850,000."

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 4 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, and Renewal and Amendment No. 3.

4. A copy of this Amendment No. 4 shall be attached to the Agreement.

5. This Amendment No. 4 shall be effective when signed by both Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 4 on the basis set forth in this document and have executed this Amendment No. 4 on the day and year set forth herein.

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

DocuSigned by:
By: Charles R. Harris
4E1F837D204E481...
Charles R. Harris, CEO

Date: 6/4/2024 | 2:14 PM PDT

APPROVED AS TO LEGAL PROVISIONS

DocuSigned by:
By: Stacy Saetta
C0ECE1B88F444A9...
Monterey County Deputy County Counsel

Date: 3/20/2024 | 10:26 AM PDT

APPROVED AS TO FISCAL PROVISIONS

DocuSigned by:
By: Patricia Ruiz
F79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 3/20/2024 | 11:28 AM PDT

CONTRACTOR

Waltz Creative LLC
CONTRACTOR's Business Name
See instructions below

DocuSigned by:
By: Beth Welch
1AA2T1CAUD6B8C4...
(Signature of: Chair, President, or Vice-President)

Beth Welch, Managing Partner
Name and Title

Date: 2/17/2024 | 9:32 AM PST

DocuSigned by:
By: Kathy Schipper
6F71F8AA98D8403...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Kathy Schipper, Founder & Partner
Name and Title

Date: 3/13/2024 | 2:34 PM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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AGREEMENT BETWEEN COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER AND WALTZ CREATIVE, LLC

This AGREEMENT is made and entered into by and between County of Monterey, on behalf of Natividad Medical Center, a political subdivision of the State of California, (hereinafter referred to as "COUNTY"), and Waltz Creative, LLC, hereinafter referred to as "CONTRACTOR."

1.0 RECITALS

County of Monterey ("County") owns and operates Natividad, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the "Clinic") under its acute care hospital license.

WHEREAS, COUNTY has invited proposals through the Request for Proposals RFP# 9600-91 for to provide **MARKETING AND GRAPHIC DESIGN SERVICES**, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, COUNTY and CONTRACTOR, for the consideration hereinafter named, agree as follows:

2.0 PERFORMANCE OF THE AGREEMENT

2.1 After consideration and evaluation of the CONTRACTOR'S proposal, COUNTY hereby engages CONTRACTOR to provide the services set forth in RFP #9600-91 and in this AGREEMENT on the terms and conditions contained herein and in RFP #9600-91. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

This AGREEMENT including all its attachments, Exhibits and Appendix
RFP #9600-91 plus all associated Addenda
CONTRACTOR'S Proposal dated March 27, 2025
Certificate of Insurance
Additional Insured Endorsements

2.2 All of the above-referenced contract documents are intended to be complementary. Work

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required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, CONTRACTOR's Proposal, RFP #9600-91 including all attachments and exhibits, Addenda issued, CONTRACTOR's Qualifications Package, Certificate of Insurance and Additional Insured Endorsements.

2.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of the County, or immediate family of an employee of the County.

2.4 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

2.4.1 CONTRACTOR must maintain all licenses throughout the term of the AGREEMENT.

2.5 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

3.0 SCOPE OF SERVICE

3.1 Contractor Minimum Work Performance Percentage

The **CONTRACTOR** shall perform, with its own organization, contract work amounting to no less than **fifty percent (50%)** of the original total contract price. However, any designated **"Specialty Items"** may be performed by subcontract. The amount of such "Specialty Items" performed by subcontract may be deducted from the original total contract price before calculating the percentage of work required to be performed by the CONTRACTOR with its own organization.

3.2 Scope of Work

The **Scope of Work** includes, but is not limited to, the following services:

- **3.2.1** Development of customized strategic marketing plans.
- **3.2.2** Brand planning, development, and positioning, including overall brand campaigns.

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- **3.2.3** Creative development of marketing collateral and support materials.
- **3.2.4** Graphic design and coordination of production services for marketing collateral and support materials.
- **3.2.5** Coordination of print services.
- **3.2.6** Advertising services, including creative, production, placement, and measurement.
- **3.2.7** Website design, maintenance, and optimization, including information architecture, content management, site design, metrics, and related expertise as needed.
- **3.2.8** Social media services.
- **3.2.9** Video and photography services.
- **3.2.10** Event planning and development of support materials.

3.3 Contractor Accessibility Requirements

The **CONTRACTOR** represents and warrants that all **Services, Products, and Work Product** provided under this Agreement shall:

- (a) Be accessible to, and usable by, individuals with disabilities; and
- (b) At all times satisfy the **Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria**, or the current applicable version as defined by **Title II of the Americans with Disabilities Act (ADA)** (hereinafter referred to as the "**Accessibility Requirements**").

This includes, but is not limited to:

- Electronic devices
- Web content
- Mobile applications
- Social media content
- Conventional electronic documents

3.4 Project Management Services

The **CONTRACTOR** shall provide **project management services** as assigned.

4.0 TERM OF AGREEMENT

4.1 The initial term shall commence on September 16, 2025 through and including September 15, 2028, with the option to extend the AGREEMENT(s) two (2) additional one (1) year periods. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

4.2 CONTRACTOR shall commence negotiations for any desired fee changes a minimum of sixty days (90) prior to the expiration of this AGREEMENT in order to be considered.

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4.2.1 Both parties shall agree upon changes to fees in writing.

4.3 COUNTY reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

5.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the pricing sheet attached hereto as EXHIBIT-A PRICING.

5.2 CONTRACTOR billing rates attached to the Agreement shall remain firm for the initial term of this AGREEMENT. Any proposed rate adjustments shall adhere to Section 4.2 and 4.2.1 herein.

5.3 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

5.4 CONTRACTOR shall levy no additional fees or surcharges of any kind during the term of this AGREEMENT without first obtaining approval from COUNTTY in writing.

5.5 Tax:

5.5.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.

5.5.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

5.6 COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

6.0 INVOICES AND PURCHASE ORDERS

6.1 Invoices for all services rendered per this AGREEMENT shall be billed directly Natividad Medical Center at the following address:

Natividad Medical Center

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Attn: Accounts Payable
PO Box 81611
Salinas, CA 93912

6.2 CONTACTOR shall reference RFP #9600-91 on all invoices submitted to Natividad Medical Center. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. Natividad shall certify the invoice, either in the requested amount or in such other amount as Natividad approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor- Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.3 All Natividad Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

7.0 INDEMNIFICATION

7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey, including its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

8.0 INSURANCE REQUIREMENTS

8.1 Evidence of Coverage:

8.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany

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the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

8.1.2 This verification of coverage shall be sent to the County of Monterey's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County of Monterey. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

8.1.3 Qualifying Insurers: All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County of Monterey's Purchasing Officer.

8.2 Insurance Coverage Requirements:

8.2.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

8.2.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

8.2.1.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

8.2.1.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions

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Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.

8.3 Other Insurance Requirements:

8.3.1 All insurance required by this AGREEMENT shall be with a company acceptable to County of Monterey and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

8.3.2 Each liability policy shall provide that County of Monterey shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

8.3.3 *Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County of Monterey and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.*

8.3.4 Prior to the execution of this AGREEMENT by County of Monterey, CONTRACTOR shall file certificates of insurance with County of Monterey's contract administrator and County of Monterey's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of

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insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

8.3.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County of Monterey, annual certificates to County of Monterey's Contract Administrator and County of Monterey's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County of Monterey shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County of Monterey, at its sole discretion, to terminate this AGREEMENT immediately.

9.0 RECORDS AND CONFIDENTIALITY

9.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this AGREEMENT, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

9.2 County of Monterey Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from NMC to perform services under this AGREEMENT.

9.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and COUNTY and Natividad Medical Center rules and regulations related to services performed under this AGREEMENT.

9.4 Access to and Audit of Records: Natividad Medical Center (COUNTY) have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

9.5 CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this AGREEMENT for

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COUNTY will be kept confidential and not be disclosed to any other person. CONTRACTOR agrees to immediately notify COUNTY in accordance with the Notices Section of this AGREEMENT, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this AGREEMENT. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to COUNTY hereunder.

10.0 NON-DISCRIMINATION

10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination.

10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all agreements with subcontractors to perform work under the contract.

11.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

11.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.,) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.

11.2 Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total AGREEMENT amount, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT amount before computing the amount of work required to be performed by CONTRACTOR with his own organization or per a consortium.

11.3 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.

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11.4 Any subcontractor shall comply with all of COUNTY requirements, including insurance and indemnification requirements as detailed in SAMPLE AGREEMENT.

12.0 CONFLICT OF INTEREST

12.1 CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this AGREEMENT. Without limitation, CONTRACTOR represents to and agrees with COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing COUNTY hereunder and any other person or entity (including but not limited to any federal or state environmental or regulatory agency) which has any interest adverse or potentially adverse to COUNTY, as determined in the reasonable judgment of the Board of Supervisors of County.

13.0 COMPLIANCE WITH APPLICABLE LAWS

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to Natividad's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.4 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this AGREEMENT, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

14.0 DRUG FREE WORKPLACE

14.1 CONTRACTOR and CONTRACTOR'S employees shall comply with the County's

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policy of maintaining a drug free workplace. Neither CONTRACTOR nor CONTRACTOR'S employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads no contest to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR shall, within five days thereafter notify the head of the NMC department/agency for which the AGREEMENT services are performed. Violation of this provision shall constitute a material breach of this AGREEMENT.

15.0 TIME OF ESSENCE

15.1 Time is of the essence in respect to all provisions of this AGREEMENT that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this AGREEMENT.

16.0 PERFORMANCE ASSURANCE

16.1 Assurance of Performance: If at any time COUNTY believes CONTRACTOR may not be adequately performing its obligations under this AGREEMENT or that CONTRACTOR may fail to complete the Services as required by this AGREEMENT, County may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in CONTRACTOR'S performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this AGREEMENT. If COUNTY accepts the plan it shall issue a signed waiver.

16.1.1 Waiver: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this AGREEMENT shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

17.0 TRAVEL REIMBURSEMENT

17.1 Travel reimbursements are not permitted for this AGREEMENT.

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18.0 EMERGENCY SITUATIONS

18.1 CONTRACTOR shall provide the name and contact information of a representative who shall be available 24 hours a day, 7 days a week, in the event of an emergency. During the emergency, CONTRACTOR shall provide COUNTY with all available supplies, materials, equipment and/or services on a priority basis.

18.2 COUNTY expects emergency deliveries to occur within 4 hours of order placement and may be required during evenings, weekends, and holidays. Time is of the essence for delivery during emergency situations. Delivery location(s) and estimated arrival will be mutually agreed upon, by COUNTY and CONTRACTOR, at time of order and will be determined based on need and existing conditions. It is understood that current conditions, such as power outages, road closures, and damages to CONTRACTOR's facility and/or equipment, will be taken into consideration.

19.0 NON-APPROPRIATIONS CLAUSE

19.1 Notwithstanding anything contained in this AGREEMENT to the contrary, if insufficient funds are appropriated, or funds are otherwise unavailable in the budget for COUNTY for any reason whatsoever in any fiscal year, for payments due under this AGREEMENT, COUNTY will immediately notify CONTRACTOR of such occurrence, and this AGREEMENT shall terminate after the last day during the fiscal year for which appropriations shall have been budgeted for COUNTY or are otherwise available for payments.

20.0 NOTICES

20.1 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to NMC's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

20.2 Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC:	TO CONTRACTOR:
Natividad Medical Center	Waltz Creative, LLC

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Attn: CONTRACTS DIVISION
1441 Constitution Blvd
Salinas, CA 93906
PHONE 831-755-4111

PO Box 1090
San Juan Bautista, CA
95045

Docusign Envelope ID: AADFEE04-F154-44AA-86C7-98F4C3E0FE36

21.0 LEGAL DISPUTES

21.1 CONTRACTOR agrees that this AGREEMENT and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

21.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

21.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

21.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

22.0 GENERAL PROVISIONS

22.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

22.2 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. Subject to Section 22.3, no other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

22.3 Exhibits. The attached Exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

22.4 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

22.5 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

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22.6 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO Natividad

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: _____

CONTRACTOR

Waltz Creative, LLC
Contractor's Business Name*** (see instructions)

Signed by:
Beth Welch
1AA211CADD6B4C4...
Signature of Chair, President, or Vice-President

Beth Welch, Managing Partner
Name and Title

Date: 8/29/2025 | 1:53 PM PDT

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

_____
Name and Title

Date: _____

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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EXHIBIT A - PRICING

Key Staff Persons: List the hourly rates which your organization would bill NMC for, **inclusive** of all expenses, for the positions and services listed in the table below. List any additional positions and services your organization would propose as necessary to meet NMC's needs as described herein this RFP. It is crucial that all positions and services proposed to meet NMC's needs be listed below with billing rates.

PRICING (20)		
Job Classification/Title	**Bill Rate to NMC per Hour**	**Role Description**
Creative Director	$135	Lead creative, oversee brand execution
Account Manager	$135	Date-to-day project management and primary
		point of contact
Graphic Designer	$135	Creative execution for print and digital assets,
		edits, finalization of assets
Web Designer	$135	Web and digital design. Includes dev and coding
Account Coordinator	$135	Administrative support, print and
		media coordination
Social Media Coordinator	$135	Strategy and implementation of content and campaigns
OTHER Marketing Strategist	$135	Development of strategy, target audience,
		implementation tactics and ROI/KPIs
SERVICES	**Hourly Rate**	**Description**
Graphic Design	$135	Creation of print, advertising, campaigns and
		digital assets
Web Design / Development	$135	Creation and coding of web and digital assets
Copywriting	$135	Creation of content for print, digital, web and
		social projects
Photography	Estimate p/project	Still images
Videography	Estimate p/project	Art direction and filming
Photo/Video Editing	$135	Editing of digital photographs and video
Web Editing/Updates	$135	Website edits and updates within WordPress
Animation	$135	Motion graphics and animations
Project Management	$135	Manage day-to-day communication and coordination
OTHER Source Files	$135 (taxable)	Ownership transfer of assets to client

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ASSIGNMENT AND ASSUMPTION AGREEMENT

by and between

FORWARD ADVANTAGE, INC. ("Assignor")

and

FORWARD ADVANTAGE HOLDINGS, INC.
d/b/a FORWARD ADVANTAGE ("Assignee")

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ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this **"Assignment"**) is made and entered as of April 25, 2023 (the **"Assignment Effective Date"**), by and between **FORWARD ADVANTAGE, INC.** (**"Assignor"**), and **FORWARD ADVANTAGE HOLDINGS, INC. d/b/a FORWARD ADVANTAGE** (**"Assignee"**).

RECITALS

A. COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"NMC"**), and Assignor entered into a Services Agreement for Imprivata product (a single, sign-on solution) used by NMC Physicians and Clinical staff, plus licenses, maintenance & support which was effective on March 23, 2016 (the **"Agreement"**).

B. Assignor now wishes to assign to Assignee all of its right, title, and interest in and to, and all of its obligations under, the Agreement to Assignee, and Assignee desires to accept such assignment and to assume such obligations.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained in this Assignment and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignment: Effective as of April 25, 2023 ("Assignment Effective Date"), Assignor hereby assigns to Assignee all of its right, title, interest in and to, and all of its terms, covenants, conditions and obligations under, the Agreement.

2. Assumption: Effective as of Assignment Effective Date, Assignee hereby accepts the assignment set forth in Section 1 above and expressly assumes and agrees to keep, perform and fulfill, from and after the Assignment Effective Date, all of the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by Assignor under the Agreement.

3. Successors and Assigns: This Assignment shall be binding on and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

4. Third Party Beneficiaries: Except as expressly provided in this Section, no person other than the parties hereto shall have any right, benefit, or obligation under this Assignment as a third-party beneficiary or otherwise.

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5. The Assignor, the Assignee, and the County agree that any payments made in good faith by or on behalf of the County to either the Assignor or the Assignee, after the Assignment Effective Date but prior to the execution of this Assignment and Assumption Agreement, shall be deemed to have been made to the party entitled to receive such payment pursuant to the Agreement and to this Assignment and Assumption Agreement, and the County shall have no further obligation to either Assignor or Assignee with respect to such payments previously made, notwithstanding other provisions of this Assignment and Assumption Agreement. The Assignor remains entitled to payment for services rendered prior to the Assignment Effective Date, to the extent such payment has not been made by or on behalf of the County on or before the date of the execution of this Assignment and Assumption Agreement, and the County shall remit any such payment to the Assignor to the extent owed, subject to the terms of the Agreement. This Assignment and Assumption Agreement shall not diminish the obligations of the Assignor with respect to performance owed prior to the Assignment Effective Date, nor adversely affect any claims the County may have or assert, now or in the future, with respect to such performance obligations of the Assignor.

6. Miscellaneous:

(i) Headings. The headings in this Assignment are for convenience of reference only and are not part of the substance hereof.

(ii) Benefit. This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and, if applicable, heirs and administrators.

(iii) Counterparts. This Assignment may be executed in multiple originals and by counterpart.

(iv) Governing Law. This Assignment shall be construed under the laws of the State of California.

(v) Amendments. No alteration, amendment or modification hereof shall be valid, unless executed by an instrument in writing by the parties hereto with the same formality as this Assignment.

(vi) Further Assignments. Nothing in this Assignment shall imply any right to make further assignments of the Agreement other than in accordance with the Agreement.

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IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the day and year first above written.

ASSIGNOR: FORWARD ADVANTAGE, INC.

By: DocuSigned by: Brian Boudreau D492AB451AAC4EE... Date: 8/9/2023 | 2:02 PM PDT

Brian Boudreau, AVP of Finance and Administration

Tax ID# [redacted]5022

ASSIGNEE: FORWARD ADVANTAGE HOLDINGS, INC. d/b/a FORWARD ADVANTAGE

By: DocuSigned by: Mike Knebel 44350F5F256146A... Date: 8/9/2023 | 2:07 PM PDT

Mike Knebel, Chief Executive Officer (CEO)

Tax ID# [redacted]2192

ACKNOWLEDGEMENT AND CONSENT

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER hereby consents to the foregoing assignment and assumption.

NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles R. Harris 4E1F837D204E481... Charles R. Harris, CEO

Deputy Purchasing Agent

Date: 8/11/2023 | 1:09 PM PDT

APPROVED AS TO LEGAL FORM

By: DocuSigned by: Stacy Saetta C05E61B995C44A9... Stacy Saetta

County of Monterey Deputy County Counsel

Date: 8/10/2023 | 1:05 PM PDT

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RENEWAL AND AMENDMENT NO. 7
TO SERVICES AGREEMENT
BETWEEN FORWARD ADVANTAGE HOLDINGS INC DBA FORWARD ADVANTAGE
AND
COUNTY OF MONTEREY, ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
IMPRIVATA ONESIGN SINGLE SIGN-ON SOLUTION SOFTWARE

This Renewal and Amendment No. 7 to the Services Agreement ("Agreement") which was effective on March 23, 2016 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC") and Forward Advantage Holdings Inc dba Forward Advantage ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement with Forward Advantage, Inc. was executed to provide Imprivata OneSign single sign-on solution software services with a term March 23, 2016 through March 22, 2018 and a total Agreement amount not to exceed $267,967; and

WHEREAS, the Parties amended the Agreement on March 16, 2018 via Amendment No. 1 to extend the term for an additional three (3) year period through March 22, 2021 for a revised full Agreement term (March 23, 2016 through March 22, 2021) to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-1 per Amendment No. 1" and to include an updated Business Associate Agreement as an attachment to the Agreement with a $111,600 increase for a revised total Agreement amount not to exceed $379,567; and

WHEREAS, the Parties amended the Agreement on November 20, 2019 via Amendment No. 2 to allow for services to continue with additions to the Statement of Work attached hereto as "Exhibit A-2 per Amendment No. 2" and to add an additional $7,000 for a revised total Agreement amount not to exceed $386,567; and

WHEREAS, the Agreement expired on March 22, 2021; and

WHEREAS, the Parties renewed and amended the Agreement on the same or similar terms via Renewal and Amendment No. 3, beginning March 23, 2021 and to extend the term for an additional one (1) year period through March 22, 2022 for a revised full Agreement term (March 23, 2016 through March 22, 2022) to allow for services to continue with additions to the original Statement of Work attached hereto as "Exhibit A-3 as per Renewal and Amendment No. 3" and to add an additional $37,200 for a revised total Agreement amount not to exceed $423,767; and

WHEREAS, the Parties amended the Agreement on March 2, 2022 via Amendment No. 4 to extend the term for an additional three (3) year period through March 22, 2025 for a revised full Agreement term (March 23, 2016 through March 22, 2025) for the Imprivata OneSign single sign-on solution and to add Imprivata Identity Governance software services to the Statement of Work, all of which are attached hereto as "Exhibit A-4 per Amendment No. 4" and to add an additional $297,617 for a revised total Agreement amount not to exceed $721,384; and

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WHEREAS, the Parties amended the Agreement via Amendment No. 5 to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-5 per Amendment No. 5" with a $43,305 increase for a revised total Agreement amount not to exceed $764,689 with no changes to the term of Agreement (March 23, 2016 through March 22, 2025); and

WHEREAS, Forward Advantage, Inc. ("Assignor") assigned all of its right, title, and interest in and to, and all of its obligations under, the Agreement via an Assignment and Assumption to Forward Advantage Holdings d/b/a Forward Advantage ("Assignee"), and Assignee desires to accept such assignment and to assume such obligations effective as of April 25, 2023; and

WHEREAS, the Parties amended the Agreement via Amendment No. 6 to allow for services to continue with revisions to the Statement of Work attached hereto as "Exhibit A-6: Revised Statement of Work/ Payment Provisions as per Amendment No. 6" with a $43,947 increase for a revised total Agreement amount not to exceed $808,636 with no changes to the term of Agreement (March 23, 2016 through March 22, 2025).

WHEREAS, the Agreement expired on March 22, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 7 retroactive to March 23, 2025 to extend the term for an additional two (2) year period through March 22, 2027 for a revised term of Agreement (March 23, 2016 through March 22, 2027) to allow for continued need of CONTRACTOR's services with revisions to the scope of work attached hereto as "Exhibit A-7: Revised Statement of Work/Payment Provisions as per Renewal and Amendment No. 7" with a $105,097 increase and to include a ten (10) percent overage allowance ($10,509) for a revised total Agreement amount of $924,242.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, Amendment No. 4, Amendment No. 5, and Amendment No. 6 incorporated herein by this reference, except as specifically set forth below.

1. Paragraph 2 titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A-7 as per Renewal and Amendment No. 7 attached hereto this Renewal and Amendment No. 7. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $924,242."

2. Paragraph 4 titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended to the following:
   "The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   ~~**Exhibit A: State of Work/Payment Provisions**~~
   ~~**Exhibit A-1: Additional Statement of Work/ Payment Provisions as per Amendment No. 1**~~
   ~~**Exhibit A-2: Additional Statement of Work/ Payment Provisions as per Amendment No. 2**~~
   ~~**Exhibit A-3: Additional Statement of Work/ Payment Provisions as per Renewal and Amendment No. 3**~~
   ~~**Exhibit A-4: Additional Statement of Work/ Payment Provisions as per Amendment No. 4**~~
   ~~**Exhibit A-5: Additional Statement of Work/ Payment Provisions as per Amendment No. 5**~~
   ~~**Exhibit A-6: Revised Statement of Work/ Payment Provisions as per Amendment No. 6**~~
   Exhibit A-7: Revised Statement of Work/Payment Provisions as per Renewal and Amendment No. 7

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Exhibit B: Business Associate Agreement (as revised and attached to Amendment No. 1)"

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Renewal and Amendment No. 7 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1, Amendment No. 2, Renewal and Amendment No. 3, Amendment No. 4, Amendment No. 5, and Amendment No. 6.

4. A copy of this Renewal and Amendment No. 7 shall be attached to the Agreement.

5. This Renewal and Amendment No. 7 shall be effective retroactively on March 23, 2025.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

Docusign Envelope ID: C488BAA5-712E-431E-A359-69DAF61FCF5B

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Renewal and Amendment No. 7 on the basis set forth in this document and have executed this Renewal and Amendment No. 7 on the day and year set forth herein.

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta
69B921D44C4341D...
Monterey County Deputy County Counsel

Date: 7/20/2025 | 3:02 PM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz
E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/22/2025 | 7:33 AM PDT

CONTRACTOR

Forward Advantage, Inc.
CONTRACTOR's Business Name
See instructions below

By: Signed by: Mike Knebel
4350E5F258148A...
(Signature of: Chair, President, or Vice-President)

Mike Knebel, CEO
Name and Title

Date: 6/25/2025 | 3:45 PM PDT

By: Signed by: Marty Menz
DB08549E6E7043D...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Marty Menz, Controller
Name and Title

Date: 6/25/2025 | 3:39 PM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Docusign Envelope ID: C488BAA5-712E-431E-A359-69DAF61FCF5B

Quotation

Forward Advantage
7269 N. First Street
Suite 102
Fresno CA 93720

Quotation # : 111
Date : 5/9/2025

Bill To
Natividad Medical Center
PO Box 81611
Salinas CA 93912
United States

Ship To
Natividad Medical Center
1441 Constitution Blvd
Salinas CA 93906
United States

Quantity	Item	Start Date	End Date	Rate	Amount
1	**SUPG30-RNW** OneSign Premium Support Maintenance 2500 SSO/AM, 2500 SSPW, 2500 VDA users	5/31/2025	6/30/2027	$105,097.00	$105,097.00

Subtotal	$105,097.00
Tax Total (0%)	$0.00
Total	$105,097.00

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AGREEMENT
Division 00500

THIS AGREEMENT is made by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and **Staples Construction Company Inc** (contractor), hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is date County signs.

THE COUNTY AND THE CONTRACTOR hereby agree as follows:

ARTICLE 1. SCOPE OF WORK.

This Job Order Contract (JOC) is an indefinite quantity contract pursuant to which the Contractor will perform a variety of Job Orders, consisting of specific construction tasks. The scope of this JOC is for general construction, repair, remodel and other repetitive related work. The County has published a Construction Task Catalog® (CTC) containing a series of construction tasks with preset Unit Prices. The CTC was developed using experienced labor and high quality materials. All Unit Prices are based on local labor, material and equipment prices including the current prevailing wages. The Contractor will bid Adjustment Factors to be applied to the Unit Prices. The price of an individual Job Order will be determined by multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

The scope of Work for this Contract will be determined by the Detailed Scopes of Work issued in connection with individual Job Orders. The scope of work, for each Job Order will be explained to the Contractor at a Joint Scope Meeting. The County will provide a Request for Job Order Proposal and Detailed Scope of Work to the Contractor. The Contractor will be required to review the Detailed Scope of Work and develop a Price Proposal using appropriate tasks, quantities and the applicable Adjustment Factor. The County will review the Contractor's Proposal in detail and if found to be reasonable and acceptable, a Job Order may be issued. The agreed upon price will be fixed price for the performance of the detailed Scope of Work.

The CONTRACTOR shall, within the time stipulated, perform the contract as herein defined and shall furnish all work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project:
PROJECT NO. JOC, BID NO. NMC 2025-01.

ARTICLE 2. TIME FOR START AND COMPLETION.

Contract Time commences upon the written execution of the Contract by County and shall end either one year from the date signed by county or upon the payment by County to Contractor of the maximum amount payable under this Agreement, whichever occurs earlier. County will not issue any new Job Orders after the expiration of this Agreement. Any Job Order authorized prior to the expiration of the Agreement must be completed within the time specified in the Job Order. In the event the scheduled completion for any Job Order extends beyond the term of this Agreement, Contractor and County agree that the terms of this Agreement shall continue in effect and be applicable for such Job Orders. A separate Job Order Notice to Proceed will be issued for each Job Order. Each Job Order will specify a time limit for completion as stated on the Job Order Notice to Proceed.
Changes to the Contract may be accomplished after execution of the Contract and without invalidating

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the Contract, by Change Order.

ARTICLE 3. ADJUSTMENT FACTORS

The Contractor shall perform all work required, necessary, proper for or incidental to completing the Detailed Scope of Work called for in each individual Job Order issued pursuant to this Contract for the Unit Prices set forth in the Construction Task Catalog®. County shall pay Contractor the Job Order Price for completion of Work in accordance with Contract Documents and the Detailed Scope of Work described in each Job Order multiplied by the following Adjustment Factors:

ADJUSTMENT FACTORS

ITEM	DESCRIPTION	ADJUSTMENT FACTORS
1.	OSHPD 1 Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1690
2.	OSHPD 1 Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.2190
3.	Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1690
4.	Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.2190

The Minimum Contract Value is $25,000. Contractor will receive the opportunity to perform at least $25,000 during the Contract term. The Maximum Contract Value is $6,210,093 for JOC NMC 2025-01. County does not guarantee Contractor will receive this volume of Work. County may award contracts or issue Job Orders to other contractors for the same or similar Work during the term of this Agreement. In no event will Contractor be issued Job Orders which, in total, exceed the Maximum Contract Value. At no time may the sum of the outstanding Job Orders exceed the amount of the Payment Bond and Performance Bond. A Job Order is outstanding until County has accepted the Work described in the Job Order by recordation of a Notice of Completion. Contractor will not be issued Job Orders which in total exceed the Maximum Contract Value.

ARTICLE 4. LIQUIDATED DAMAGES.

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss, if all or any part of the Work is not completed within the time specified in the Job Order, plus any extensions thereof. Accordingly, County and Contractor agree that liquidated damages for delay

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will be established by County for each Job Order. Contractor shall pay County the dollar amount stipulated in the Job Order for each day that expires after the time specified therein for contractor to achieve Completion.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by County resulting from delay in completion of the Work.

Liquidated damages for delay shall only cover project administrative (such as Project management and consultant expenses) and cost damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS.

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT.

The contract entered into by this Agreement consists of the following documents, all of which are component parts of the contract as if herein set out in full or attached hereto:

- Notice to Contractors
- Information for Bidders
- Bid, as accepted
- Noncollusion Affidavit
- Workers' Compensation Certificate
- Affidavit Concerning Employment of Undocumented Aliens
- Contractor's Certification of Good Faith Effort to Employ Monterey Bay Area Residents
- Statement of Bidder's Qualifications
- Written Plan to Recruit Monterey Bay Area Residents, when applicable
- Bid Bond or Bidder's Security
- Agreement
- Performance Bond
- Payment Bond
- Insurance Certificate
- Division 00710 General Conditions, Bid No. NMC 2025-01, NMC 2025-02,
- Project Manual
- Construction Task Catalog®
- Technical Specifications
- As issued, Addenda No:___

All of the above-named contract documents are intended to be complementary. Work required by one of the above-named contract documents and not by others shall be done as if required by all.

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IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

CONTRACTOR:

Staples Construction Company, Inc.
(Name of Company)

By: _____
Signature of Chair, President, or Vice-President

David Staples, President
Printed Name and Title

Date: 7/15/2025

By: _____
Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*

Tonya R. Staples, Secretary/Treasurer
Printed Name and Title

Date: 7/15/2025

COUNTY OF MONTEREY:

By: _____
Name: Charles Harris, MD
Title: Natividad Medical Center CEO
Dated: _____

APPROVE AS TO FISCAL TERMS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Name: Rupa Shah, CPA
Title: Chief Deputy Auditor-Controller
Date: 7/23/2025 | 1:16 PM PDT

APPROVE AS TO FORM

By: _____
Name: Kristen Aldrich
Title: NMC Purchasing Manager
Date: _____

APPROVE AS TO FORM & LEGALITY

By: DocuSigned by: Stacy Saetta C0ECE1B99F444A9...
Name: Stacy Saetta
Title: Deputy County Counsel
Date: 7/23/2025 | 1:24 PM PDT

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

THE FINAL PREMIUM IS
PREDICATED ON THE
FINAL CONTRACT AMOUNT

Bond No. 800191353
Premium: $23,575.00

PERFORMANCE BOND

(Public Contract Code Section 20129)
Division 00600

WHEREAS, the County of Monterey has awarded to Principal,

Staples Construction Company, Inc.

as Contractor, for the following project:

PROJECT NO. 2025 JOC, BID NO. NMC 2025-01; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the faithful performance of said contract.

NOW, THEREFORE, we Staples Construction Company, Inc.
as Principal, and Atlantic Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall indemnify, defend, and save harmless the County, the members of its board of supervisors, and its officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.

Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the contract, Surety may promptly remedy the default, or shall promptly:

1. Complete the contract in accordance with its terms or conditions, or
2. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by the County of Monterey and Surety of the lowest responsible and responsive bidder, arrange for a contract between such bidder and the County of Monterey, and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees, and investigation expenses.

IN WITNESS WHEREOF, the above-bonded parties have executed this instrument under their several seals this 16th day of July, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) Staples Construction Company Inc.
Principal

By: _____

Title: David Staples, President

(Corporate Seal) Atlantic Specialty Insurance Company
Surety

By: _____
Shaunna Rozelle Ostrom

Title: Attorney-in-Fact

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 07/16/2025 before me, Melissa Ann Vaccaro, Notary Public
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MELISSA ANN VACCARO
COMM. #2401942
Notary Public-California
ORANGE COUNTY
My Comm. Expires May 12, 2026

FRS3 FRS3

Signature Melissa Ann Vaccaro (Seal)
Melissa Ann Vaccaro

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

intact INSURANCE

Bond No. 800191353

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Adrian Langrell, Arturo Ayala, Ben Stong, Benjamin Wolfe, Chelsea Liberatore, Daniel Huckabay, Frank Morones, Magdalena R. Wolfe, Michael D Stong, Shaunna Rozelle Ostrom**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By: _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 16th day of July, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

This Power of Attorney expires
January 31, 2030

_____
Kara L.B. Barrow, Secretary

Please direct bond verifications to surety@intactinsurance.com

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MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF STAPLES CONSTRUCTION CO., INC.

A special meeting of the Board of Directors of Staples Construction Co., Inc. was held in the conference room at 1501 Eastman Avenue, Ventura, CA on November 24, 2009.

The following directors were present:

David R. Staples, also known as David Staples
Tonya R. Staples

The following persons officiated at the meeting:
Chairman of the meeting: David R. Staples, aka David Staples
Secretary of the meeting: Tonya R. Staples

The chairman initiated a discussion regarding a corporate resolution to confirm who is authorized to execute contract documents or to execute bid submittals.

After discussion, it was decided that both David R. Staples, aka David Staples, and Tonya R. Staples would have the authority.

On motion duly made, seconded and unanimously carried, the following resolution was adopted.

RESOLVED: That David R. Staples, also known as David Staples, and/or Tonya R. Staples will be the authorized persons to execute all contract documents and bid submittals for all projects contracted for or bid upon by Staples Construction Co., Inc.

There being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

Tonya R. Staples
Secretary - Treasurer

Staples Construction Company,
Inc. A California Corporation
1501 Eastman Ave.
Ventura, CA 93003

Corporate Seal

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

THE FINAL PREMIUM IS PREDICATED ON THE FINAL CONTRACT AMOUNT

Bond No. 800191353

PAYMENT BOND

(Civil Code section 9550)
Division 00610

WHEREAS, the County of Monterey has awarded to Principal,

Staples Construction Company, Inc.
as Contractor, a contract for the following project:

PROJECT NO. JOC 2025, BID PACKAGE NO. NMC 2025-01; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material providers, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we Staples Construction Company, Inc.
as Principal, and Atlantic Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If Principal or any of Principal's heirs, executors, administrators, successors, assigns, or subcontractors (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the contract on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

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This bond inures to the benefit of any of the persons named in Civil Code section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHEREOF the above-bounden parties have executed this instrument under their several seals this 16th day of July, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) Staples Construction Company Inc.
Principal

By: _____

Title: David Staples, President

(Corporate Seal) Atlantic Specialty Insurance Company
Surety

By: _____
Shaunna Rozelle Ostrom

Title: Attorney-in-Fact

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 07/16/2025 before me, Melissa Ann Vaccaro, Notary Public
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MELISSA ANN VACCARO
COMM. #2401942
Notary Public-California
ORANGE COUNTY
My Comm. Expires May 12, 2026

Signature Melissa Ann Vaccaro (Seal)
Melissa Ann Vaccaro

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

intact INSURANCE

Bond No. 800191353

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Adrian Langrell, Arturo Ayala, Ben Stong, Benjamin Wolfe, Chelsea Liberatore, Daniel Huckabay, Frank Morones, Magdalena R. Wolfe, Michael D Stong, Shaunna Rozelle Ostrom**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

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Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

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IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 16th day of July, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

This Power of Attorney expires
January 31, 2030

_____
Kara L.B. Barrow, Secretary

Please direct bond verifications to surety@intactinsurance.com

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

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The following directors were present:

David R. Staples, also known as David Staples
Tonya R. Staples

The following persons officiated at the meeting:
Chairman of the meeting: David R. Staples, aka David Staples
Secretary of the meeting: Tonya R. Staples

The chairman initiated a discussion regarding a corporate resolution to confirm who is authorized to execute contract documents or to execute bid submittals.

After discussion, it was decided that both David R. Staples, aka David Staples, and Tonya R. Staples would have the authority.

On motion duly made, seconded and unanimously carried, the following resolution was adopted.

> RESOLVED: That David R. Staples, also known as David Staples, and/or Tonya R. Staples will be the authorized persons to execute all contract documents and bid submittals for all projects contracted for or bid upon by Staples Construction Co., Inc.

There being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

Tonya R. Staples
Secretary - Treasurer

Staples Construction Company,
Inc. A California Corporation
1501 Eastman Ave.
Ventura, CA 93003

Corporate Seal

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 07/15/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Ariana Olvera
AssuredPartners of California Ins Services, LLC 196 S. Fir Street P.O. Box 1388 Ventura CA 93002-1388	PHONE (A/C, No, Ext): (805) 585-6120 FAX (A/C, No): (805) 585-6120 E-MAIL ADDRESS: ariana.olvera@assuredpartners.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Crum & Forster Specialty Ins Co	44520
INSURER B : Travelers Property Casualty Company of America	25674
INSURER C : Navigators Specialty Ins Co	36056
INSURER D : Hudson Specialty Ins Co	25054
INSURER E :	
INSURER F :	

INSURED

Staples Construction Co., Inc.
1501 Eastman Ave.
Ventura CA 93003

COVERAGES **CERTIFICATE NUMBER:** 25/26 GL/AU/WC/XS/XS **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC ☐ OTHER:	Y		GLO-118978	02/01/2025	02/01/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 50,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY	Y		810-B5099811	07/12/2025	07/12/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
C	☐ UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $			LA25EXCZ07GDWIC	02/01/2025	02/01/2026	EACH OCCURRENCE AGGREGATE	$ 5,000,000 $ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N ☐ If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		UB-B5023054	08/01/2025	08/01/2026	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
D	EXCESS LIABILITY (2ND LAYER)			HXS 1001401 05	02/01/2025	02/01/2026	EACH OCCURRENCE AGGREGATE	$5,000,000 $5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: JOB #2033 - Natividad Medical Center Joc 2025. GL/AU: Certificate Holder, its officers, agents, and employees are Additional Insured as respects to referenced project per forms (GL) CG20101219, CG20371219 and (AU) CAT4990216. Endorsements apply only as required by current written contract on file.

CERTIFICATE HOLDER

County of Monterey
1441 Constitution Blvd.
Salinas CA 93906

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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POLICY NUMBER: GLO-118978

COMMERCIAL GENERAL LIABILITY
CG 20 10 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any person or organization you have agreed in a written contract to add as an additional insured on your policy provided the written contract is signed prior to the "bodily injury", "property damage" or "personal and advertising injury"	Locations and operations covered under this policy when required by written contract signed prior to the "bodily injury", "property damage" or "personal and advertising injury"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

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1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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POLICY NUMBER: GLO-118978

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
As required by written contract signed prior to the "bodily injury" or "property damage".	As required by written contract signed prior to the "bodily injury" or "property damage" and if covered under this policy.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE – CONTRACTORS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

PROVISIONS

1. The following is added to Paragraph **c.** in **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   This includes any person or organization who you are required under a written contract or agreement, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

2. The following is added to Paragraph **B.5.**, **Other Insurance** of **SECTION IV – BUSINESS AUTO CONDITIONS**:

   Regardless of the provisions of paragraph **a.** and paragraph **d.** of this part **5. Other Insurance**, this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is a named insured when a written contract or agreement with you, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

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BID FORM
Division 00300

MONTEREY COUNTY BOARD OF SUPERVISORS

MAILING ADDRESS		P O BOX 1728 SALINAS, CA 93902
PHYSICAL ADDRESS		168 W. ALISAL ST 1st FLR SALINAS, CA 93901

PROJECT NO. JOB ORDER CONTRACTING

BID PACKAGE NO. NMC 2025-01

NAME OF BIDDER: Staples Construction Company Inc.

BUSINESS ADDRESS: 1501 Eastman Ave.

Ventura, CA 93003

TELEPHONE NUMBER: 805.658.8786

PLACE OF RESIDENCE: Ventura

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BID FORM

PROJECT NO. 2025, JOC
BID PACKAGE NO. NMC 2025-01

TO: MONTEREY COUNTY BOARD OF SUPERVISORS

1. Pursuant to and in compliance with your Notice to Bidders and the Contract Documents relating to the JOC NMC 2025-01 the undersigned Bidder, having become thoroughly familiar with the terms and conditions of the Contract Documents and with local conditions affecting the performance and the costs of the Work, hereby proposes and agrees to fully perform authorized Work within the time(s) stated and in strict accordance with the Contract Documents and each Job Order, including providing any and all labor and materials, and performing all the work required to construct and to complete said Work in accordance with the requirements of the Contract Documents, for the following Adjustment Factors, carried out to four (4) decimal places:

Adjustment Factors:

OSHPD 1 Normal Working Hours:** Work performed under OSHPD 1 conditions during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1690

OSHPD 1 Other than Normal Working Hours:** Work performed under OSHPD 1 conditions during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.2190

Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1690

Other than Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.2190

* Bids will be rejected, as non-responsive if the 'Other than Normal Working Hours' Adjustment Factors are not equal to or greater than the 'Normal Working Hours' Adjustment Factors.

** Bids will be rejected, as non-responsive if the 'OSHPD1' Adjustment Factors are not equal to or greater than the 'Other than OSHPD 1' Adjustment Factors.

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Award Criteria Figure Formula

Award Criteria Figure Formula percentages are for Bid purposes only. The County is not obligated to issue Job Orders in the stated percentages.

Line 1.	OSHPD 1 Normal Working Hours Adjustment Factor	1. 1.1690
Line 2.	Multiply Line 1 by 60% = (0.60 x Line 1)	2. 0.7014
Line 3.	OSHPD 1 Other than Normal Working Hours Adjustment Factor	3. 1.2190
Line 4.	Multiply Line 3 by 10% = (0.10 x Line 3)	4. 0.1219
Line 5.	Normal Working Hours Adjustment Factor	5. 1.1690
Line 6.	Multiply Line 5 by 20% = (0.20 x Line 5)	6. 0.2338
Line 7.	Other than Normal Working Hours Adjustment Factor	7. 1.2190
Line 8.	Multiply Line 7 by 10% = (0.10 x Line 7)	8. 0.1219
Line 9.	Add Lines: 2,4,6 and 8 (This is the Award Criteria Figure)	ACF = 1.1790

2. Determination of lowest bidder will be based upon the lowest Award Criteria Figure.

3. Specify lines 1 through 9 to four (4) decimal places. Use conventional rounding methodology (i.e., if the number in the 5th decimal place is 0-4, the number in the 4th decimal remains unchanged; if the number in the 5th decimal place is 5-9, the number in the 4th decimal is rounded upward).

4. The Other Than Normal Working Hours Adjustment Factors must be greater than or equal to the Normal Working Hours Adjustment Factors.

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5. The weighted multipliers above are for the purpose of calculating an Award Criteria Figure only. No assurances are made by the County that Work will be ordered under the Contract in a distribution consistent with the weighted percentages above. The Award Criteria Figure is only used for the purpose of determining the Bid.

6. When submitting Job Order Price Proposals related to specific Job Orders, the Bidder shall utilize one or more of the Adjustment Factors applicable to the Work being performed.

7. The Construction Task Catalog® is priced at a net value of 1.0000. The bid shall be an increase to" (e.g., 1.1000 or decrease e.g., 0.9500) to the Unit Prices listed in the Construction Task Catalog®. Bidders who submit separate Adjustment Factors for separate Unit Prices will be considered non-responsive and their bid will be rejected.

8. The undersigned has checked all above figures carefully and understands that the County will not be responsible for any errors and omissions on the part of the undersigned in making this bid.

9. It is understood that the County reserves the right to reject any and all bids or waive any informalities or irregularities in any bids or in the bidding.

10. This bid shall remain valid and will not be withdrawn by the undersigned bidder for a period of ninety (90) days from the date prescribed for opening of this bid without the written consent of the County.

11. Attached hereto are the following:
   a) Non-Collusion Affidavit;
   b) Workers' Compensation Certificate;
   c) Affidavit Concerning Employment of Undocumented Aliens
   d) Contractor's Certification of Good-Faith Effort to Employ Monterey Bay Area Residents;
   e) Statement of Bidder's Qualifications
   f) Written Plan to Recruit Monterey Bay Area Residents, when applicable;
   g) Required bidder's security in the amount of $25,000; and
   h) Acknowledgment of Addenda, if any.

12. If this bid is accepted by the County, then the undersigned shall, within ten (10) workdays after receipt of the Notice of Intent to Award letter, execute and deliver to the County (a) a contract in the form set forth in the contract documents on which this bid is based, (b) a payment bond for public works, as required by the contract documents, and (c) a performance bond, as similarly required, and (d) an Insurance Certificate, as similarly required. The undersigned will thereafter commence and complete the work within the time required by the contract documents.

13. Notice of acceptance and any requests for additional information shall be addressed to the undersigned at the following address:

PROJECT MANAGER: BRIAN GRIFFIN
NATIVIDAD MEDICAL CENTER - ENGINEERING OFFICES
1441 CONSTITUTION BLVD.
SALINAS, CA 93906

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TELEPHONE: (831) 755-4220

14. The names of all persons interested in the foregoing proposal as principals are as follows:

Staples Construction Company Inc.	
Name	Title
David Staples	President
Name	Title
Tonya R. Staples	Secretary/Treasurer
Name	Title

(**IMPORTANT NOTICE**: If the bidder or other interested person is a corporation, state the legal name of the corporation, and the names of the president, secretary, treasurer, and manager thereof; if a partnership, state the name of the firm and the names of all the individual partners composing the firm; if the bidder or other interested person is an individual, state the first and last names in full and give all fictitious names under which the individual does business.)

15. By execution of this bid, the undersigned bidder declares that he or she is a contractor licensed in accordance with the Contractors' State License Law, as follows:

Classification: B A
License number: 710039
Expiration date: 07/31/2027

16. The undersigned certifies that at the time of bid, Contractor has a staffed office located within the Monterey Bay Area (Monterey County, Santa Cruz County, or San Benito County).

Address, Phone and Fax of office that meets the above requirement:

Street: 344 Salinas St., Suite 105F
City, State, Zip: Salinas, CA 93901
Telephone: 805.833.0067 Fax: 831.758.8576

17. The undersigned certifies that Contractor meets the experience requirements outlined in the Information to Bidders Section 5 – A-B and within three calendar days of request by County shall submit evidence of compliance with the qualifications and a list of all work performed, both complete and incomplete, within the previous three years including names and phone numbers of the Public Agencies.

18. In the event the bidder to whom Notice of Intent to Award Contract is given fails or refuses to post the required bonds and insurance and return the executed copies of the agreement form within ten (10) working days from the date of receiving the Notice of Intent to Award letter Contract, the County may declare the bidder's security forfeited as damages and contract with the second lowest

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bidder.

19. Pursuant to section 7103.5(b) of the Public Contract Code, in submitting a bid to the County, the bidder offers and agrees that if the bid is accepted, it will assign to the County all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder.

Dated 7/7/2025

Bidder's Business Name Staples Construction Company Inc.

By

Principal Signature

Principal Name (Print) David Staples

Principal Title (Print) President

By

Principal Signature

Principal Name (Print) Tonya R. Staples

Principal Title (Print) Secretary/Treasurer

(Corporate Seal)

NOTE: ***If bidder is a corporation, the full legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the document shall bear the corporate seal; if bidder is a partnership, the full name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if bidder is an individual, his signature shall be placed above.***

20. Addenda bound with Contract Documents or issued during the time of bidding, are to be acknowledged below

Addendum No. 1 ***Date:*** July 1, 2025

Addendum No. 2 ***Date:*** July 1, 2025

Addendum No. 3 ***Date:*** July 1, 2025

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 1

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **SUBMISSION DEADLINE:** Revise deadline for receipt of sealed bids to:
11:00 A.M (PST) on Thursday, July 10, 2025 at the following address, at which time they will be publicly opened and read in the Board of Supervisors Conference Room 1032.
Office of the Clerk of the Board of Supervisors.

County of Monterey
168 W. Alisal St. 2nd Floor
Salinas, CA 93901
(Mailing Address: P.O. Box 1728, Salinas, CA 93902-1728)

2. **UPDATED DOCUMENTS: Technical Specification, 2024 Notice to Contractors, 2025 Project Manual**

Addendum 1 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 7 **, 2025**

Bidder's Business Name Staples Construction Company, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) David Staples

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 1

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 2

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **MANDATORY BIDDERS MEETING: A MANDATORY BIDDERS MEETING with NMC Project Manager is scheduled for Monday, June 23, 2025, at 10:00 am at NMCs Natividad Conference Room at 1441 Constitution Blvd., Salinas, CA 93906.**

2. **UPDATED DOCUMENTS: 2025 Notice to Contractors, 2025 Project Manual**

Addendum 2 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 7 **, 2025**

Bidder's Business Name Staples Construction Company Inc

By

Bidder's Signature _____

Bidder's Name (Print) David Staples

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 2

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 3

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **UPDATED DOCUMENTS: Prebid Meeting Sign-in Sheet**

Addendum 3 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 7, **2025**

Bidder's Business Name Staples Construction Company Inc.

By

Bidder's Signature _____

Bidder's Name (Print) David Staples

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 3

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

STAPLES CONSTRUCTION

July 7, 2025

County of Monterey
168 W. Alisal St., 1st floor
Salinas, CA 93901

RE: GOOD FAITH EFFORT

Dear Sir or Madam,

In order to meet the 50% local workforce requirements of the County of Monterey, Staples Construction Company, Inc. will make a good faith effort to recruit Monterey Bay Area residents by the following actions:

1. Contact local recruitment sources, including local hiring halls.
2. Advertise for qualified Monterey Bay Area residents online, in trade papers, and local newspapers.
3. Identify qualified subcontractors whose workforce includes Monterey County, Santa Cruz County, or San Benito County Area residents.

We look forward to working with you,

Sincerely,

STAPLES CONSTRUCTION COMPANY, INC.

David Staples
President

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NON-COLLUSION DECLARATION
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID

(Public Contract Code Section 7106)
Division 00400

The undersigned declares:

I am the President of Staples Construction Company Inc.the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his Adjustment Factors or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on July 7, 2025 [date], at _____ Ventura [city], California [state].

Signature: _____

Print Name: David Staples

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CONTRACTOR'S CERTIFICATE AS TO WORKERS' COMPENSATION TO BE SUBMITTED WITH BID

(Labor Code section 1861)
Division 00410

Labor Code section 3700 provides, in relevant part:

> "Every employer except the state shall secure the payment of compensation in one or more of the following ways:
>
> (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.
>
> (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees."

I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: 7/7/2025

Bidder's Business Name: Staples Construction Company Inc.

By:

Print Name: David Staples

Print Title: President

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

AFFIDAVIT CONCERNING EMPLOYMENT OF UNDOCUMENTED ALIENS TO BE SUBMITTED WITH BID

Division 00420

(Public Contract Code section 6101)

State of California)
)§
County of Ventura)

Public Contract Code section 6101 provides that,

No state agency or department, as defined in [Public Contract Code] Section 10335.7, that is subject to this code, shall award a public works or purchase contract to a bidder or contractor, nor shall a bidder or contractor be eligible to bid for or receive a public works or purchase contract, who has, in the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

David Staples, being first duly sworn, deposes and says (1) that he or she is the President of Staples Construction Company Inc. the party making the foregoing bid; and (2) that the party making the foregoing bid has not, within the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

Dated: 7/7/2025

Bidder's Business Name: Staples Construction Company Inc.

By: _____

Print Name: David Staples

Print Title: President

Subscribed and sworn to me this 7th day of July 2025.

Notary Public in and for the County of

Ventura

State of California

My Commission expires on: See Attached [Notary Stamp]

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Ventura

Subscribed and sworn to (or affirmed) before me on this 7th day of July, 2025, by David Staples,

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

LORENA DE LOS REYES
Notary Public - California
Ventura County
Commission # 2383145
My Comm. Expires Nov 15, 2025

(Seal)

Signature

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

CONTRACTOR'S CERTIFICATION OF GOOD-FAITH EFFORT TO EMPLOY MONTEREY BAY AREA RESIDENTS

(TO BE SUBMITTED WITH BID)

(Monterey County Code section 5.08.120)
Division 00430

I CERTIFY THAT I am aware of the provision of Monterey County Code Section 5.08.120.

Monterey County Code Section 5.08.120 provides, in relevant part:

A. General Provisions. All County contracts for public works of improvement shall contain provisions pursuant to which the contractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area in sufficient numbers so that no less than fifty percent (50%) of the contractors total construction work force, on that particular contract, including any subcontractor work force (with exception of specialty subcontractor items identified in bid items) measured in labor work hours, is comprised of Monterey Bay Area residents.

B. Non-responsive Bidder Declaration: Enforcement. If any contractor submitting a bid for a contract for public works of improvement fails to abide by the good-faith local employment provisions of this Section, the contractor may be declared by the Board to be a non-responsive bidder for purposes of this Chapter. If the Board finds that a contractor to whom a contract for public works of improvement has been awarded has failed to comply with the good-faith employment provisions of this Section during the performance of the contract, the Board may disqualify the contractor from bidding on any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation of this Section by a contractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

C. Binding on Subcontractors. Every contractor entering into a contract for public works of improvement subject to the provisions of this Section shall include in each and every subcontract for work, laborers, or material suppliers relating to the project the requirement that the subcontractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area. If the Board finds that any subcontractor has failed during the performance of the subcontract to comply with this Section, the Board may disqualify said subcontractor from submitting or being listed in any bid for any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation by a subcontractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

I FURTHER CERTIFY AS FOLLOWS (check the box that applies):

☐ I CERTIFY that at least fifty percent (50%) of the total construction work force on the project, including any subcontractor work force, measured in labor work hours, will be comprised of qualified individuals who to the best of my knowledge are, and have been for at least one (1)

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year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area. Evidence that I will comply with this requirement is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

☒ I CERTIFY that I shall make a good-faith effort to employ qualified individuals who, to the best of my knowledge, are, and have been for at least one (1) year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area in sufficient numbers such that no less than fifty percent (50%) of the total construction work force on the project, including any subcontractor work force (with the exception of specialty subcontractor items identified in the bid items) measured in labor work hours, will be comprised of Monterey Bay Area residents. **Attached is my written plan to recruit Monterey Bay Area residents as part of the construction workforce.**

☐ I CERTIFY that I do not comply with and am unable to make a good-faith effort to comply with the good-faith local employment provisions set forth in Monterey County Code Section 5.08.120. Explanation to why I am not able to comply is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

I declare under penalty of perjury under the laws of the State of California that the foregoing certification is true and correct. Executed on (date) 7/7/2025
at (city/state) Ventura, CA.

Bidder's Business Name: Staples Construction Company Inc.

By: _____

Print Name: David Staples

Print Title: President

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STATEMENT OF BIDDER'S QUALIFICATIONS

1441 CONSTITUTION BLVD. SALINAS, CA 93906
PROJECT NO. JOC 2025
BID PACKAGE NO. NMC 2025-01, NMC 2025-02

Statement of Bidder's Qualifications below are included as part of the contract for the above project.

Bidder shall have a minimum of five (5) years of experience with acute care healthcare facility projects under OSHPD jurisdiction. In all instances in this form, "Qualifying Project" means a project which must meet all of the following:

1. ***Project work took place in the following medical facility environment:***
   a. ***Tenant Improvement or remodel in a licensed OSHPD facility (preferably Type 1; outpatient surgery clinic, Type 3 would also be acceptable) that remained operational during your construction project.***

2. ***Project work took place where infection prevention measures were required throughout construction following ICRA Class III or IV protocols.***

3. ***Project had a full-time Supervisor present in the above described settings during ALL construction activities – days, evenings, swing, weekends.***

4. ***Project was completed within the last five (5) years.***

5. ***Your firm's construction contract cost was at least $100,000 as awarded (excluding change orders).***

The Construction project will require work to be performed within an operating acute care healthcare facility, which presents unique challenges with regard to safety and coordination. The minimum experience requirements below are essential to the successful performance of the work for this project. Failure of any bidder to possess any of the mandatory minimum experience requirements (or substantial equivalent), or failure to provide documentation verifying them may result in the rejection of the Bidder's bid at the sole discretion of the Hospital.

The undersigned Bidder represents and warrants that the information provided in response to this Contractor Qualification form is true and accurate to the best of its knowledge, and that the undersigned intends that the Hospital rely thereon in awarding the subject Contract. Moreover, the undersigned Bidder understands that a material false statement or omission is sufficient cause for disqualifying its bid or cancellation of the Contract at the sole discretion of the Hospital.

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Dated: July 7, 2025

Signature of Bidder

David Staples, President
Title

Each Bidder shall provide the following information related to its three (3) most recently completed acute care healthcare facility projects under OSHPD jurisdiction. Names and references must be current and verifiable.

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PROJECT 1

Project Name: Registration Refresh

Location: 1441 Constitution Blvd., Salinas

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Demolition of a portion of the existing interior storefront and placement of double out-swing doors on hold opens tied into the existing fire alarm system. Remove a portion of the existing interior wall between offices to allow for open registration area and new check-ins desks.

Total Value of Original Construction Project (as bid):	$	435,978.25
Total Value of Change Orders:	$	52,015.11
Final Contract Price:	$	487,993.36
Original Scheduled Completion Date:		3/31/21
Time Extensions Granted (number of calendar days):		180 days
Actual Date of Completion:		9/17/21

Owner Contact (name and current phone number):

Brian Griffin 831.783.2605

Architect or Engineer Contact (name and current phone number):

Christopher Barlow 831.236.4380

Owner's Representative (name and current phone number):

Brian Griffin 831.783.2605

Inspector(s) on the Project (name and current phone number):

Unknown

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PROJECT 2

Project Name: Infant Security, Building 500

Location: 1441 Constitution Blvd., Salinas, CA

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Installation of Guard RFID Infant Security Stem in Peds, MIU and L&D areas as specific by Kasavan Architects.

Total Value of Original Construction Project (as bid):	$	135,696.62
Total Value of Change Orders:	$	5,380.77
Final Contract Price:	$	141,077.39
Original Scheduled Completion Date:		3/31/22
Time Extensions Granted (number of calendar days):		68 Days
Actual Date of Completion:		6/6/22

Owner Contact (name and current phone number):

Brian Griffin 831.783.2605

Architect or Engineer Contact (name and current phone number):

Peter Kasavan 831.424.2232

Owner's Representative (name and current phone number):

Brian Griffin 831.783.2605

Inspector(s) on the Project (name and current phone number):

Unknown

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PROJECT 3

Project Name: Rear Security Doors at Operating Room

Location: 1441 Constitution Blvd., Salinas, CA

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Installation of new operating room doors with power operators.

Total Value of Original Construction Project (as bid):	$	142,619.98
Total Value of Change Orders:	$	76,958.96
Final Contract Price:	$	219,578.94
Original Scheduled Completion Date:		2/19/24
Time Extensions Granted (number of calendar days):		475 Days
Actual Date of Completion:		5/30/25

Owner Contact (name and current phone number):

Brian Griffin 831.783.2605

Architect or Engineer Contact (name and current phone number):

Christopher Barlow 831.649.4642

Owner's Representative (name and current phone number):

Brian Griffin 831.783.2605

Inspector(s) on the Project (name and current phone number):

Unknown

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BID BOND

Division 00440
(Public Contract Code Section 20129)

WHEREAS the Principal has submitted the accompanying bid dated July 10th, 2025, to the County of Monterey, for the following project: **PROJECT NO. JOC 2025, BID NO. NMC 2025-01** and

WHEREAS, Principal, as bidder, is required to furnish a bond executed by an admitted surety in connection with said bid, to secure the timely execution of the contract and delivery of bonds and insurance certificates, in the event that the contract is awarded to the Principal.

NOW, THEREFORE, we Staples Construction Company, Inc.

as Principal, and Atlantic Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Twenty five thousand Dollars ($ 25,000.00), of the Principal submitted to the said County for the above-described project, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal is awarded the contract and, within the time and manner required under the contract documents for the above-described project, after the prescribed forms are presented to him for signature, (1) enters into a written contract in the prescribed form, in accordance with the bid, (2) files such insurance certificates with the County as may be required by said contract documents, and (3) files a performance bond and a payment bond with the County, in conformity with said contract documents, then this obligation shall be null and void; otherwise, it shall remain in full force.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed there under, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 2nd day of July, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

Staples Construction Company Inc.
Principal

By: _____
David Staples

Title: President

(Corporate Seal)

Atlantic Specialty Insurance Company
Surety

By: _____
Shaunna Rozelle Ostrom

Title: Attorney-in-Fact

Attach: 1) A Copy of authorization for signature for Principal, and 2) An original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

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ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 07/02/2025 before me, Melissa Ann Vaccaro, Notary Public
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MELISSA ANN VACCARO
COMM. #2401942
Notary Public-California
ORANGE COUNTY
My Comm. Expires May 12, 2026

Signature _____ (Seal)
Melissa Ann Vaccaro

Docusign Envelope ID: 8161104C-FD75-4F18-A5D2-49A4B1349397

intact INSURANCE

Bond No. CSBA-31596

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Adrian Langrell, Arturo Ayala, Ben Stong, Benjamin Wolfe, Chelsea Liberatore, Daniel Huckabay, Frank Morones, Magdalena R. Wolfe, Michael D Stong, Shaunna Rozelle Ostrom**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

BY _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 2nd day of July, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

_____
Kara L.B. Barrow, Secretary

This Power of Attorney expires
January 31, 2030

Please direct bond verifications to surety@intactinsurance.com

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MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF STAPLES CONSTRUCTION CO., INC.

A special meeting of the Board of Directors of Staples Construction Co., Inc. was held in the conference room at 1501 Eastman Avenue, Ventura, CA on November 24, 2009.

The following directors were present:

David R. Staples, also known as David Staples
Tonya R. Staples

The following persons officiated at the meeting:
Chairman of the meeting: David R. Staples, aka David Staples
Secretary of the meeting: Tonya R. Staples

The chairman initiated a discussion regarding a corporate resolution to confirm who is authorized to execute contract documents or to execute bid submittals.

After discussion, it was decided that both David R. Staples, aka David Staples, and Tonya R. Staples would have the authority.

On motion duly made, seconded and unanimously carried, the following resolution was adopted.

> RESOLVED: That David R. Staples, also known as David Staples, and/or Tonya R. Staples will be the authorized persons to execute all contract documents and bid submittals for all projects contracted for or bid upon by Staples Construction Co., Inc.

There being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

Tonya R. Staples

Tonya R. Staples
Secretary - Treasurer

Staples Construction Company,
Inc. A California Corporation
1501 Eastman Ave.
Ventura, CA 93003

Corporate Seal

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

AGREEMENT
Division 00500

THIS AGREEMENT is made by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and **Newton Construction & Management Inc** (contractor), hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is date County signs.

THE COUNTY AND THE CONTRACTOR hereby agree as follows:

ARTICLE 1. SCOPE OF WORK.

This Job Order Contract (JOC) is an indefinite quantity contract pursuant to which the Contractor will perform a variety of Job Orders, consisting of specific construction tasks. The scope of this JOC is for general construction, repair, remodel and other repetitive related work. The County has published a Construction Task Catalog® (CTC) containing a series of construction tasks with preset Unit Prices. The CTC was developed using experienced labor and high quality materials. All Unit Prices are based on local labor, material and equipment prices including the current prevailing wages. The Contractor will bid Adjustment Factors to be applied to the Unit Prices. The price of an individual Job Order will be determined by multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

The scope of Work for this Contract will be determined by the Detailed Scopes of Work issued in connection with individual Job Orders. The scope of work, for each Job Order will be explained to the Contractor at a Joint Scope Meeting. The County will provide a Request for Job Order Proposal and Detailed Scope of Work to the Contractor. The Contractor will be required to review the Detailed Scope of Work and develop a Price Proposal using appropriate tasks, quantities and the applicable Adjustment Factor. The County will review the Contractor's Proposal in detail and if found to be reasonable and acceptable, a Job Order may be issued. The agreed upon price will be fixed price for the performance of the detailed Scope of Work.

The CONTRACTOR shall, within the time stipulated, perform the contract as herein defined and shall furnish all work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project:
PROJECT NO. JOC, BID NO. NMC 2025-02.

ARTICLE 2. TIME FOR START AND COMPLETION.

Contract Time commences upon the written execution of the Contract by County and shall end either one year from the date signed by county or upon the payment by County to Contractor of the maximum amount payable under this Agreement, whichever occurs earlier. County will not issue any new Job Orders after the expiration of this Agreement. Any Job Order authorized prior to the expiration of the Agreement must be completed within the time specified in the Job Order. In the event the scheduled completion for any Job Order extends beyond the term of this Agreement, Contractor and County agree that the terms of this Agreement shall continue in effect and be applicable for such Job Orders. A separate Job Order Notice to Proceed will be issued for each Job Order. Each Job Order will specify a time limit for completion as stated on the Job Order Notice to Proceed.
Changes to the Contract may be accomplished after execution of the Contract and without invalidating the Contract, by Change Order.

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ARTICLE 3. ADJUSTMENT FACTORS

The Contractor shall perform all work required, necessary, proper for or incidental to completing the Detailed Scope of Work called for in each individual Job Order issued pursuant to this Contract for the Unit Prices set forth in the Construction Task Catalog®. County shall pay Contractor the Job Order Price for completion of Work in accordance with Contract Documents and the Detailed Scope of Work described in each Job Order multiplied by the following Adjustment Factors:

ADJUSTMENT FACTORS

ITEM	DESCRIPTION	ADJUSTMENT FACTORS
1.	OSHPD 1 Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1900
2.	OSHPD 1 Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.1900
3.	Normal Working Hours 8:00 AM to 5:00 PM Monday through Friday	1.1800
4.	Other than Normal Working Hours Hours outside of Normal Working Hours including all day Saturday, Sunday and County Holidays	1.2000

The Minimum Contract Value is $25,000. Contractor will receive the opportunity to perform at least $25,000 during the Contract term. The Maximum Contract Value is $6,210,093 for JOC NMC 2025-02. County does not guarantee Contractor will receive this volume of Work. County may award contracts or issue Job Orders to other contractors for the same or similar Work during the term of this Agreement. In no event will Contractor be issued Job Orders which, in total, exceed the Maximum Contract Value. At no time may the sum of the outstanding Job Orders exceed the amount of the Payment Bond and Performance Bond. A Job Order is outstanding until County has accepted the Work described in the Job Order by recordation of a Notice of Completion. Contractor will not be issued Job Orders which in total exceed the Maximum Contract Value.

ARTICLE 4. LIQUIDATED DAMAGES.

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss, if all or any part of the Work is not completed within the time specified in the Job Order, plus any extensions thereof. Accordingly, County and Contractor agree that liquidated damages for delay will be established by County for each Job Order. Contractor shall pay County the dollar amount stipulated in the Job Order for each day that expires after the time specified therein for contractor to achieve Completion.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be

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presumed to be the damages suffered by County resulting from delay in completion of the Work.

Liquidated damages for delay shall only cover project administrative (such as Project management and consultant expenses) and cost damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS.

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT.

The contract entered into by this Agreement consists of the following documents, all of which are component parts of the contract as if herein set out in full or attached hereto:

- Notice to Contractors
- Information for Bidders
- Bid, as accepted
- Noncollusion Affidavit
- Workers' Compensation Certificate
- Affidavit Concerning Employment of Undocumented Aliens
- Contractor's Certification of Good Faith Effort to Employ Monterey Bay Area Residents
- Statement of Bidder's Qualifications
- Written Plan to Recruit Monterey Bay Area Residents, when applicable
- Bid Bond or Bidder's Security
- Agreement
- Performance Bond
- Payment Bond
- Insurance Certificate
- Division 00710 General Conditions, Bid No. NMC 2025-01, NMC 2025-02,
- Project Manual
- Construction Task Catalog®
- Technical Specifications
- As issued, Addenda No: 1, 2, 3

All of the above-named contract documents are intended to be complementary. Work required by one of the above-named contract documents and not by others shall be done as if required by all.

IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

CONTRACTOR:

Newton Construction & Management Inc.
(Name of Company)

By: _____
Signature of Chair, President, or Vice-President

Eric Newton, President
Printed Name and Title

Date: 7/14/25

By: _____
Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*

Eric Newton, Secretary
Printed Name and Title

Date: 7/14/25

COUNTY OF MONTEREY:

By: _____

Name: Charles Harris, MD

Title: Natividad Medical Center CEO

Dated: _____

APPROVE AS TO FISCAL TERMS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...

Name: Rupa Shah, CPA

Title: Chief Deputy Auditor-Controller

Date: 7/23/2025 | 1:15 PM PDT

APPROVE AS TO FORM

By: _____

Name: Kristen Aldrich

Title: NMC Purchasing Manager

Date: _____

APPROVE AS TO FORM & LEGALITY

By: DocuSigned by: Stacy Saetta C0ECE1B99F444A9...

Name: Stacy Saetta

Title: Deputy County Counsel

Date: 7/23/2025 | 1:25 PM PDT

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

EXECUTED IN 1 ORIGINAL COUNTERPART
BOND NUMBER: 7901271813

PERFORMANCE BOND

(Public Contract Code Section 20129)
Division 00600

WHEREAS, the County of Monterey has awarded to Principal,

NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Contractor, for the following project:

PROJECT NO. 2025 JOC, BID NO. NMC 2025-02; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the faithful performance of said contract.

NOW, THEREFORE, we NEWTON CONSTRUCTION & MANAGEMENT, INC.
as Principal, and NATIONWIDE MUTUAL INSURANCE COMPANY

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall indemnify, defend, and save harmless the County, the members of its board of supervisors, and its officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.

Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the contract, Surety may promptly remedy the default, or shall promptly:

3. Complete the contract in accordance with its terms or conditions, or
4. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by the County of Monterey and Surety of the lowest responsible and responsive bidder, arrange for a contract between such bidder and the County of Monterey, and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees, and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 17TH day of JULY, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) NEWTON CONSTRUCTION & MANAGEMENT, INC.
Principal

By: _____

Title: ERIC NEWTON

(Corporate Seal) NATIONWIDE MUTUAL INSURANCE COMPANY
Surety

By: _____
KEVIN VEGA

Title: ATTORNEY-in-FACT

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

BRITTON CHRISTIANSEN; KEVIN VEGA; PHILIP E VEGA;

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 17th day of July, 2025.

Assistant Secretary

BDJ 1(04-24)00

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

} ss.

County of LOS ANGELES }

On July 17th, 2025 before me, Philip Vega, Notary Public
Here Insert Name and Title of the Officer

personally appeared Kevin Vega, Attorney-in-Fact
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

PHILIP VEGA
Notary Public - California
Los Angeles County
Commission # 2490569
My Comm. Expires May 31, 2028

Signature: _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title of Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

EXECUTED IN 1 ORIGINAL COUNTERPART
BOND NUMBER: 7901271813

PAYMENT BOND

(Civil Code section 9550)
Division 00610

WHEREAS, the County of Monterey has awarded to Principal,

NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Contractor, a contract for the following project:

PROJECT NO. JOC 2025, BID PACKAGE NO. NMC 2025-02; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material providers, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Principal, and NATIONWIDE MUTUAL INSURANCE COMPANY

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Two Million Dollars ($2,500,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If Principal or any of Principal's heirs, executors, administrators, successors, assigns, or subcontractors (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the contract on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

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This bond inures to the benefit of any of the persons named in Civil Code section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHEREOF the above-bounden parties have executed this instrument under their several seals this 17TH day of JULY, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) NEWTON CONSTRUCTION & MANAGEMENT, INC.

Principal

By: _____

Title: PRESIDENT

(Corporate Seal) NATIONWIDE MUTUAL INSURANCE COMPANY

Surety

By: _____ KEVIN VEGA

Title: ATTORNEY-in-FACT

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

BRITTON CHRISTIANSEN; KEVIN VEGA; PHILIP E VEGA;

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss
On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 17th day of July, 2025.

Assistant Secretary

BDJ 1(04-24)00

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

} ss.

County of LOS ANGELES }

On July 17th, 2025 before me, Philip Vega, Notary Public
Here Insert Name and Title of the Officer

personally appeared Kevin Vega, Attorney-in-Fact
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

PHILIP VEGA
Notary Public - California
Los Angeles County
Commission # 2490569
My Comm. Expires May 31, 2028

Signature:
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title of Type of Document:

Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:
☐ Individual
☐ Corporate Officer Title(s):
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Signer's Name:
☐ Individual
☐ Corporate Officer Title(s):
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

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BID FORM
Division 00300

MONTEREY COUNTY BOARD OF SUPERVISORS

MAILING ADDRESS		P O BOX 1728 SALINAS, CA 93902
PHYSICAL ADDRESS		168 W. ALISAL ST 1st FLR SALINAS, CA 93901

PROJECT NO. 2025, JOB ORDER CONTRACTING
BID PACKAGE NO. NMC 2025-02

NAME OF BIDDER: Newton Construction & Management, Inc.

BUSINESS ADDRESS: 2436 Broad Street San Luis Obispo CA 93401

TELEPHONE NUMBER: 805-208-2982

PLACE OF RESIDENCE: 801 Lighthouse Ave #213 Monterey CA 93940

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

BID FORM

PROJECT NO. 2025, JOB ORDER CONTRACTING
BID PACKAGE NO. NMC 2025-02

TO: MONTEREY COUNTY BOARD OF SUPERVISORS

1. Pursuant to and in compliance with your Notice to Bidders and the Contract Documents relating to the JOC NMC 2025-02 the undersigned Bidder, having become thoroughly familiar with the terms and conditions of the Contract Documents and with local conditions affecting the performance and the costs of the Work, hereby proposes and agrees to fully perform authorized Work within the time(s) stated and in strict accordance with the Contract Documents and each Job Order, including providing any and all labor and materials, and performing all the work required to construct and to complete said Work in accordance with the requirements of the Contract Documents, for the following Adjustment Factors, carried out to four (4) decimal places:

Adjustment Factors:

OSHPD 1 Normal Working Hours:** Work performed under OSHPD 1 conditions during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1900

OSHPD 1 Other than Normal Working Hours:** Work performed under OSHPD 1 conditions during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1900

Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.1800

Other than Normal Working Hours*: OSHPD 3 and Non-OSHPD Work performed during Other Than Normal Working Hours in the quantities specified in individual Job Orders for the Unit Price sum specified in the Construction Task Catalog® multiplied by the Adjustment Factor of:

1.2000

* Bids will be rejected, as non-responsive if the 'Other than Normal Working Hours' Adjustment Factors are not equal to or greater than the 'Normal Working Hours' Adjustment Factors.

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** Bids will be rejected, as non-responsive if the 'OSHPD1' Adjustment Factors are not equal to or greater than the 'Other than OSHPD 1' Adjustment Factors.

Award Criteria Figure Formula

Award Criteria Figure Formula percentages are for Bid purposes only. The County is not obligated to issue Job Orders in the stated percentages.

Line 1.	OSHPD 1 Normal Working Hours Adjustment Factor	9. 1.1900
Line 2.	Multiply Line 1 by 60% = (0.60 x Line 1)	10. 0.7140
Line 3.	OSHPD 1 Other than Normal Working Hours Adjustment Factor	11. 1.1900
Line 4.	Multiply Line 3 by 10% = (0.10 x Line 3)	12. 0.1190
Line 5.	Normal Working Hours Adjustment Factor	13. 1.1800
Line 6.	Multiply Line 5 by 20% = (0.20 x Line 5)	14. 0.2360
Line 7.	Other than Normal Working Hours Adjustment Factor	15. 1.2000
Line 8.	Multiply Line 7 by 10% = (0.10 x Line 7)	16. 0.1200
Line 9.	Add Lines: 2,4,6 and 8 (This is the Award Criteria Figure)	ACF = 1.1890

2. Determination of lowest bidder will be based upon the lowest Award Criteria Figure.

3. Specify lines 1 through 9 to four (4) decimal places. Use conventional rounding methodology (i.e., if the number in the 5th decimal place is 0-4, the number in the 4th decimal remains unchanged; if the number in the 5th decimal place is 5-9, the number in the 4th decimal is rounded upward).

4. The Other Than Normal Working Hours Adjustment Factors must be greater than or equal to

Docusign Envelope ID: A1FA0B15-09F8-4A10-B566-5E9288CDA274

the Normal Working Hours Adjustment Factors.

5. The weighted multipliers above are for the purpose of calculating an Award Criteria Figure only. No assurances are made by the County that Work will be ordered under the Contract in a distribution consistent with the weighted percentages above. The Award Criteria Figure is only used for the purpose of determining the Bid.

6. When submitting Job Order Price Proposals related to specific Job Orders, the Bidder shall utilize one or more of the Adjustment Factors applicable to the Work being performed.

7. The Construction Task Catalog® is priced at a net value of 1.0000. The bid shall be an increase to" (e.g., 1.1000 or decrease e.g., 0.9500) to the Unit Prices listed in the Construction Task Catalog®. Bidders who submit separate Adjustment Factors for separate Unit Prices will be considered non-responsive and their bid will be rejected.

8. The undersigned has checked all above figures carefully and understands that the County will not be responsible for any errors and omissions on the part of the undersigned in making this bid.

9. It is understood that the County reserves the right to reject any and all bids or waive any informalities or irregularities in any bids or in the bidding.

10. This bid shall remain valid and will not be withdrawn by the undersigned bidder for a period of ninety (90) days from the date prescribed for opening of this bid without the written consent of the County.

11. Attached hereto are the following:
   a) Non-Collusion Affidavit;
   b) Workers' Compensation Certificate;
   c) Affidavit Concerning Employment of Undocumented Aliens;
   d) Contractor's Certification of Good-Faith Effort to Employ Monterey Bay Area Residents;
   e) Statement of Bidder's Qualifications
   f) Written Plan to Recruit Monterey Bay Area Residents, when applicable;
   g) Required bidder's security in the amount of $25,000; and
   h) Acknowledgment of Addenda, if any.

12. If this bid is accepted by the County, then the undersigned shall, within ten (10) workdays after receipt of the Notice of Intent to Award letter, execute and deliver to the County (a) a contract in the form set forth in the contract documents on which this bid is based, (b) a payment bond for public works, as required by the contract documents, and (c) a performance bond, as similarly required, and (d) an Insurance Certificate, as similarly required. The undersigned will thereafter commence and complete the work within the time required by the contract documents.

13. Notice of acceptance and any requests for additional information shall be addressed to the undersigned at the following address:

PROJECT MANAGER: BRIAN GRIFFIN
NATIVIDAD MEDICAL CENTER - ENGINEERING OFFICES

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1441 CONSTITUTION BLVD.
SALINAS, CA 93906
TELEPHONE: (831) 755-4220

14. The names of all persons interested in the foregoing proposal as principals are as follows:

Eric Newton	President and Secretary
Name	Title
Rodessa Newton	Treasurer
Name	Title
Name	Title

(**IMPORTANT NOTICE**: If the bidder or other interested person is a corporation, state the legal name of the corporation, and the names of the president, secretary, treasurer, and manager thereof; if a partnership, state the name of the firm and the names of all the individual partners composing the firm; if the bidder or other interested person is an individual, state the first and last names in full and give all fictitious names under which the individual does business.)

15. By execution of this bid, the undersigned bidder declares that he or she is a contractor licensed in accordance with the Contractors' State License Law, as follows:

Classification: B C10 A C16
License number: 783608
Expiration date: 9/30/26

16. The undersigned certifies that at the time of bid, Contractor has a staffed office located within the Monterey Bay Area (Monterey County, Santa Cruz County, or San Benito County).

Address, Phone and Fax of office that meets the above requirement:

Street: 801 Lighthouse Ave #213
City, State, Zip: Monterey CA 93940
Telephone: 805-208-2982 Fax: N/A

17. The undersigned certifies that Contractor meets the experience requirements outlined in the Information to Bidders section 5 – A-B and within three calendar days of request by County shall submit evidence of compliance with the qualifications and a list of all work performed, both complete and incomplete, within the previous three years including names and phone numbers of the Public Agencies.

18. In the event the bidder to whom Notice of Intent to Award Contract is given fails or refuses to post the required bonds and insurance and return the executed copies of the agreement form within ten (10) working days from the date of receiving the Notice of Intent to Award letter Contract, the

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County may declare the bidder's security forfeited as damages and contract with the second lowest bidder.

19. Pursuant to section 7103.5(b) of the Public Contract Code, in submitting a bid to the County, the bidder offers and agrees that if the bid is accepted, it will assign to the County all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder.

Dated	7/10/25
Bidder's Business Name	Newton Construction & Management, Inc.
By	
Principal Signature	
Principal Name (Print)	Eric Newton
Principal Title (Print)	President
By	
Principal Signature	
Principal Name (Print)	Eric Newton
Principal Title (Print)	Secretary
(Corporate Seal)	

NOTE: ***If bidder is a corporation, the full legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the document shall bear the corporate seal; if bidder is a partnership, the full name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if bidder is an individual, his signature shall be placed above.***

20. Addenda bound with Contract Documents or issued during the time of bidding, are to be acknowledged below

Addendum No. 1 ***Date:*** 6/18/25 resent 7/1/25

Addendum No. 2 ***Date:*** 6/23/25 resent 7/1/25

Addendum No. 3 ***Date:*** 7/1/25

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NON-COLLUSION DECLARATION
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID

(Public Contract Code Section 7106)
Division 00400

The undersigned declares:

I am the President of Newton Construction & Management, Inc. the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his Adjustment Factors or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on July 10, 2025 [date], at _____ San Luis Obispo [city], California [state].

Signature: _____

Print Name: Eric Newton

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CONTRACTOR'S CERTIFICATE AS TO WORKERS' COMPENSATION
TO BE SUBMITTED WITH BID

(Labor Code section 1861)
Division 00410

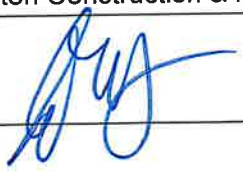
Labor Code section 3700 provides, in relevant part:

> "Every employer except the state shall secure the payment of compensation in one or more of the following ways:
>
> (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.
>
> (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees."

I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: 7/10/25

Bidder's Business Name: Newton Construction & Management, Inc.

By: 

Print Name: Eric Newton

Print Title: President

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AFFIDAVIT CONCERNING EMPLOYMENT OF UNDOCUMENTED ALIENS TO BE SUBMITTED WITH BID

Division 00420

(Public Contract Code section 6101)

State of California)
)§
County of San Luis Obispo)

Public Contract Code section 6101 provides that,

No state agency or department, as defined in [Public Contract Code] Section 10335.7, that is subject to this code, shall award a public works or purchase contract to a bidder or contractor, nor shall a bidder or contractor be eligible to bid for or receive a public works or purchase contract, who has, in the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

Eric Newton, being first duly sworn, deposes and says (1) that he or she is the President of Newton Construction & Management, Inc., the party making the foregoing bid; and (2) that the party making the foregoing bid has not, within the preceding five years, been convicted of violating a state or federal law respecting the employment of undocumented aliens.

Dated: 6/23/25

Bidder's Business Name: Newton Construction & Management, Inc.

By: _____

Print Name: Eric Newton

Print Title: President

Subscribed and sworn to me this _____ day of _____ 2025.

Notary Public in and for the County of see attached

State of California

My Commission expires on: _____ [Notary Stamp]

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Luis Obispo

Subscribed and sworn to (or affirmed) before me on this _____ day of June 23, 2025, by Eric Newton _____,
proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

LACEE NOWAK
Notary Public - California
San Luis Obispo County
Commission # 2386528
My Comm. Expires Dec 12, 2025

(Seal)

Signature _____
Lacee Nowak, Notary public

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CONTRACTOR'S CERTIFICATION OF GOOD-FAITH EFFORT TO EMPLOY MONTEREY BAY AREA RESIDENTS

(TO BE SUBMITTED WITH BID)

(Monterey County Code section 5.08.120)

Division 00430

I CERTIFY THAT I am aware of the provision of Monterey County Code Section 5.08.120.

Monterey County Code Section 5.08.120 provides, in relevant part:

A. General Provisions. All County contracts for public works of improvement shall contain provisions pursuant to which the contractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area in sufficient numbers so that no less than fifty percent (50%) of the contractors total construction work force, on that particular contract, including any subcontractor work force (with exception of specialty subcontractor items identified in bid items) measured in labor work hours, is comprised of Monterey Bay Area residents.

B. Non-responsive Bidder Declaration: Enforcement. If any contractor submitting a bid for a contract for public works of improvement fails to abide by the good-faith local employment provisions of this Section, the contractor may be declared by the Board to be a non-responsive bidder for purposes of this Chapter. If the Board finds that a contractor to whom a contract for public works of improvement has been awarded has failed to comply with the good-faith employment provisions of this Section during the performance of the contract, the Board may disqualify the contractor from bidding on any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation of this Section by a contractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

C. Binding on Subcontractors. Every contractor entering into a contract for public works of improvement subject to the provisions of this Section shall include in each and every subcontract for work, laborers, or material suppliers relating to the project the requirement that the subcontractor shall make a good-faith effort to employ qualified individuals who are, and have been for at least one (1) year out of the past three (3) years prior to the opening of bids, residents of the Monterey Bay Area. If the Board finds that any subcontractor has failed during the performance of the subcontract to comply with this Section, the Board may disqualify said subcontractor from submitting or being listed in any bid for any County contract for public works of improvement for a period of one (1) year from the date of the Board's disqualification. A subsequent violation by a subcontractor may result in disqualification by the Board for a period of three (3) years from the date of the subsequent disqualification.

I FURTHER CERTIFY AS FOLLOWS (check the box that applies):

☐ I CERTIFY that at least fifty percent (50%) of the total construction work force on the project, including any subcontractor work force, measured in labor work hours, will be comprised of qualified individuals who to the best of my knowledge are, and have been for at least one (1)

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year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area. Evidence that I will comply with this requirement is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

☑ I CERTIFY that I shall make a good-faith effort to employ qualified individuals who, to the best of my knowledge, are, and have been for at least one (1) year out of the past three (3) years prior to the effective date of the opening of bids, residents of the Monterey Bay Area in sufficient numbers such that no less than fifty percent (50%) of the total construction work force on the project, including any subcontractor work force (with the exception of specialty subcontractor items identified in the bid items) measured in labor work hours, will be comprised of Monterey Bay Area residents. **Attached is my written plan to recruit Monterey Bay Area residents as part of the construction workforce.**

☐ I CERTIFY that I do not comply with and am unable to make a good-faith effort to comply with the good-faith local employment provisions set forth in Monterey County Code Section 5.08.120. Explanation to why I am not able to comply is as follows (please use additional pages to provide supporting evidence and/or documentation, as necessary):

_____

_____

_____

I declare under penalty of perjury under the laws of the State of California that the foregoing certification is true and correct. Executed on (date) 7/10/25
at (city/state) San Luis Obispo, CA.

Bidder's Business Name: Newton Construction & Management, Inc.

By: _____

Print Name: Eric Newton

Print Title: President

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NEWTON
CONSTRUCTION & MANAGEMENT

Subject: Plan to recruit Monterey Bay Residents as part of construction workforce.

Newton Construction has held multiple County of Monterey JOC contracts for roads and bridges and facilities since 2017. Additionally, NCM has held a City of Salinas JOC for five years. NCM has completed over fifteen million in public works projects in the County of Monterey. During this time NCM has developed an extensive local subcontractor base. Almost all projects completed have local workers as part of the construction force as we strive to contract with local subcontractors whenever possible.

NCM will also solicit for positions of management through various job posting websites with an emphasis on local residents.

P.O. Box 3260 San Luis Obispo, CA 93403 (805) 544-5583 (805) 544-5584 Fax

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STATEMENT OF BIDDER'S QUALIFICATIONS

1441 CONSTITUTION BLVD. SALINAS, CA 93906
PROJECT NO. JOC 2025
BID PACKAGE NO. NMC 2025-01, NMC 2025-02

Statement of Bidder's Qualifications below are included as part of the contract for the above project.

Bidder shall have a minimum of five (5) years of experience with acute care healthcare facility projects under OSHPD jurisdiction. In all instances in this form, "Qualifying Project" means a project which must meet all of the following:

1. ***Project work took place in the following medical facility environment:***
   a. ***Tenant Improvement or remodel in a licensed OSHPD facility (preferably Type 1; outpatient surgery clinic, Type 3 would also be acceptable) that remained operational during your construction project.***

2. ***Project work took place where infection prevention measures were required throughout construction following ICRA Class III or IV protocols.***

3. ***Project had a full-time Supervisor present in the above described settings during ALL construction activities – days, evenings, swing, weekends.***

4. ***Project was completed within the last five (5) years.***

5. ***Your firm's construction contract cost was at least $100,000 as awarded (excluding change orders).***

The Construction project will require work to be performed within an operating acute care healthcare facility, which presents unique challenges with regard to safety and coordination. The minimum experience requirements below are essential to the successful performance of the work for this project. Failure of any bidder to possess any of the mandatory minimum experience requirements (or substantial equivalent), or failure to provide documentation verifying them may result in the rejection of the Bidder's bid at the sole discretion of the Hospital.

The undersigned Bidder represents and warrants that the information provided in response to this Contractor Qualification form is true and accurate to the best of its knowledge, and that the undersigned intends that the Hospital rely thereon in awarding the subject Contract. Moreover, the undersigned Bidder understands that a material false statement or omission is sufficient cause for disqualifying its bid or cancellation of the Contract at the sole discretion of the Hospital.

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Dated: 7/10, 2025

Signature of Bidder

President
Title

Each Bidder shall provide the following information related to its three (3) most recently completed acute care healthcare facility projects under OSHPD jurisdiction. Names and references must be current and verifiable.

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PROJECT 1

Project Name: Heath Records Refresh Bldg. 580, 2nd Floor

Location: Natividad Medical Center 1441 Constitution Blvd, Salinas CA 93912

Owner: Natividad Medical Center

Description of Project, Scope of Work Performed:

Tenant Improvement, refresh of finishes, rework power and data to accommodated new office layout

Total Value of Original Construction Project (as bid):	$	119,023.34
Total Value of Change Orders:	$	0
Final Contract Price:	$	119,023.34
Original Scheduled Completion Date:		2/21/22
Time Extensions Granted (number of calendar days):		31Due Plan Detail Changes
Actual Date of Completion:		3/24/23

Owner Contact (name and current phone number):

Brian Griffin 831-783-2605

Architect or Engineer Contact (name and current phone number):

Chris Barlow 831-649-4642

Owner's Representative (name and current phone number):

Brian Griffin 831-783-2605

Inspector(s) on the Project (name and current phone number):

George Narancic 408-460-3345

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PROJECT 2

Project Name: UCSB Neutrino & Dark Matter Lab Broida Hall 572

Location: UCSB Broida Hall Bldg 572 and PSB South, Bldg. 672 Santa Barbara CA

Owner: University of California Santa Barbara

Description of Project, Scope of Work Performed:

Renovation - Mechanical - Plumbing - Construction of soft wall clean rooms

Total Value of Original Construction Project (as bid):	$	1,363,000.00
Total Value of Change Orders:	$	-32,985.00
Final Contract Price:	$	1,330,015.00
Original Scheduled Completion Date:		12/7/21
Time Extensions Granted (number of calendar days):		140 extension due to equipment delays
Actual Date of Completion:		6/1/22

Owner Contact (name and current phone number):

UCSB Facilities Management Bldg 572 805-448-1379

Architect or Engineer Contact (name and current phone number):

Shubin Donaldson 805-682-7000

Owner's Representative (name and current phone number):

Telli Foster PM 805-448-1379

Inspector(s) on the Project (name and current phone number):

Thomas Hass UCSB Inspector 805-450-4985

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PROJECT 3

Project Name: Trace Metal Clean Lab Webb Hall Bldg 526

Location: UCSB Santa Barbara CA

Owner: University of California Santa Barbara

Description of Project, Scope of Work Performed:

Construct TMLC Clean Suite and TMIS Instrument Suite
Mechanical, Framing, Plumbing, Electrical, ect designed for
ISO Classified clean room

Total Value of Original Construction Project (as bid): $ 2,345,000.00

Total Value of Change Orders: $ 103,884.00

Final Contract Price: $ 2,448,884.00

Original Scheduled Completion Date: 11/11/19

Time Extensions Granted (number of calendar days): 330 Covid delays and supply delays

Actual Date of Completion: 10/10/21

Owner Contact (name and current phone number):

UCSB Facilities Management Bldg 572 805-448-1379

Architect or Engineer Contact (name and current phone number):

Shubin Donaldson 805-682-7000

Owner's Representative (name and current phone number):

Jennifer Peirce PE 805-451-1680

Inspector(s) on the Project (name and current phone number):

Bill Mcgreevy UCSB IOR 805-729-2648

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BID BOND

Division 00440

(Public Contract Code Section 20129)

WHEREAS the Principal has submitted the accompanying bid dated JULY 10TH, 2025, to the County of Monterey, for the following project: **PROJECT NO. JOC 2025, BID NO. NMC 2025-02.**

WHEREAS, Principal, as bidder, is required to furnish a bond executed by an admitted surety in connection with said bid, to secure the timely execution of the contract and delivery of bonds and insurance certificates, in the event that the contract is awarded to the Principal.

NOW, THEREFORE, we NEWTON CONSTRUCTION & MANAGEMENT, INC.

as Principal, and NATIONWIDE MUTUAL INSURANCE COMPANY

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Twenty five thousand Dollars ($ 25,000.00), of the Principal submitted to the said County for the above-described project, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal is awarded the contract and, within the time and manner required under the contract documents for the above-described project, after the prescribed forms are presented to him for signature, (1) enters into a written contract in the prescribed form, in accordance with the bid, (2) files such insurance certificates with the County as may be required by said contract documents, and (3) files a performance bond and a payment bond with the County, in conformity with said contract documents, then this obligation shall be null and void; otherwise, it shall remain in full force.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed there under, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

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If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 19TH day of JUNE, 2025, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

NEWTON CONSTRUCTION & MANAGEMENT, INC.
Principal

By: _____
Eric Newton

Title: President

(Corporate Seal)

NATIONWIDE MUTUAL INSURANCE COMPANY
Surety

By: _____
KEVIN VEGA

Title: ATTORNEY-in-FACT

Attach: 1) A Copy of authorization for signature for Principal, and 2) An original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

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Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

BRITTON CHRISTIANSEN; KEVIN VEGA; PHILIP E VEGA;

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 19th day of June, 2025.

Assistant Secretary

BDJ 1(04-24)00

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

} ss.

County of LOS ANGELES }

On June 19th, 2025 before me, Philip Vega, Notary Public
Here Insert Name and Title of the Officer

personally appeared Kevin Vega, Attorney-in-Fact
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

PHILIP VEGA
Notary Public - California
Los Angeles County
Commission # 2490569
My Comm. Expires May 31, 2028

Signature: _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title of Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

Signer's Name: _____
☐ Individual
☐ Corporate Officer Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Right Thumbprint of Signer
Top of thumb here

Signer is Representing:

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No. 1805-1

STATE OF CALIFORNIA

DEPARTMENT OF INSURANCE

SAN FRANCISCO

Amended

Certificate of Authority

THIS IS TO CERTIFY *that, pursuant to the Insurance Code of the State of California,*

Nationwide Mutual Insurance Company

of Ohio, organized under the laws of Ohio, subject to its Articles of Incorporation or other fundamental organizational documents, is hereby authorized to transact within this State, subject to all provisions of this Certificate, the following classes of insurance:

Fire, Marine, Surety, Disability, Plate Glass, Liability, Workers' Compensation, Common Carrier Liability, Boiler and Machinery, Burglary, Sprinkler, Team and Vehicle, Automobile, Aircraft, Legal, and Miscellaneous

as such classes are now or may hereafter be defined in the Insurance Laws of the State of California.

THIS CERTIFICATE *is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of California as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.*

IN WITNESS WHEREOF, *effective as of the 22nd day of May, 2013, I have hereunto set my hand and caused my official seal to be affixed this 22nd day of May, 2013.*

Dave Jones
Insurance Commissioner

By

Valerie J. Sarfaty
for Nettie Hoge
Chief Deputy

NOTICE:
Qualification with the Secretary of State must be accomplished as required by the California Corporations Code promptly after issuance of this Certificate of Authority. Failure to do so will be a violation of Insurance Code section 701 and will be grounds for revoking this Certificate of Authority pursuant to the covenants made in the application therefor and the conditions contained herein.

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 1

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **SUBMISSION DEADLINE:** Revise deadline for receipt of sealed bids to: **11:00 A.M (PST) on Thursday, July 10, 2025 at the following address, at which time they will be publicly opened and read in the Board of Supervisors Conference Room 1032. Office of the Clerk of the Board of Supervisors.**

County of Monterey
168 W. Alisal St. 2nd Floor
Salinas, CA 93901
(Mailing Address: P.O. Box 1728, Salinas, CA 93902-1728)

2. **UPDATED DOCUMENTS: Technical Specification, 2024 Notice to Contractors, 2025 Project Manual**

Addendum 1 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 1 **, 2025**

Bidder's Business Name Newton Construction & Management, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) Eric Newton

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 1

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 2

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **MANDATORY BIDDERS MEETING: A MANDATORY BIDDERS MEETING with NMC Project Manager is scheduled for Monday, June 23, 2025, at 10:00 am at NMCs Natividad Conference Room at 1441 Constitution Blvd., Salinas, CA 93906.**

2. **UPDATED DOCUMENTS: 2025 Notice to Contractors, 2025 Project Manual**

Addendum 2 Acknowledgment (*This Acknowledgment page must be included in bid package*):

Dated July 1 **, 2025**

Bidder's Business Name Newton Construction & Management, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) Eric Newton

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 2

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Natividad

ENGINEERING DEPARTMENT
1441 CONSTITUTION BLVD
SALINAS, CA 93906

ADDENDUM NO. 3

July 1, 2025

PROJECT: JOB ORDER CONTRACTS #NMC 2025-1/NMC 2025-2

JOB ORDER CONTRACT PROJECT BID NO: NMC 2025-01, NMC 2025-02

TO:ALL PLANHOLDERS/CONTRACTORS/INTERESTED PARTIES

THIS ADDENDUM IS ISSUED TO ADVISE OF THE FOLLOWING CHANGES TO THE NOTICE TO BIDDERS/PROJECT MANUAL/SPECIFICATIONS, PRESCRIBED FORMS, AND/OR DRAWINGS:

NOTICE TO BIDDERS

1. **UPDATED DOCUMENTS: Prebid Meeting Sign-in Sheet**

Addendum 3 Acknowledgment (***This Acknowledgment page must be included in bid package***)**:**

Dated July 1 **, 2025**

Bidder's Business Name Newton Construction & Management, Inc.

By

Bidder's Signature _____

Bidder's Name (Print) Eric Newton

Bidder's Title (Print) President

APPROVED FOR POSTING

Brian Griffin, Project Manager III

END OF ADDENDUM 3

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dca
DEPARTMENT OF CONSUMER AFFAIRS

CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE

License Number **783608** Entity CORP

Business Name NEWTON CONSTRUCTION & MANAGEMENT INC

Classification(s) B C10 A C16

Expiration Date 09/30/2026 www.cslb.ca.gov

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NEWTON
CONSTRUCTION & MANAGEMENT

UNANIMOUS WRITTEN CONSENT OF DIRECTORS IN LIEU OF MEETING OF THE BOARD OF DIRECTORS

NEWTON CONSTRUCTION & MANAGEMENT, INC.

January 1, 2006

The undersigned, being the directors of the corporation, acting pursuant to the authority of Section 307 of the California General Corporations Law, hereby adopt the following recitals and resolution, effective on the date set forth above.

WHEREAS, it is contemplated that the corporation will enter into contracts with third parties in conducting the business of the corporation, it is

RESOLVED, that Eric Newton, President and Secretary of the corporation, is hereby authorized to sign any and all contracts for and on behalf of the corporation.

Eric Newton

Director

Rodessa Newton

Director