

AGREEMENT BETWEEN WESTCARE NEVADA INC. AND THE CITY OF SPARKS
RELATING TO THE PROVISION OF FUNDS FOR THE COMMUNITY TRIAGE CENTER

THIS AGREEMENT is entered into as of July 1, 2013, between WestCare Nevada, Inc., a Nevada non-profit corporation ("WestCare") and the City of Sparks, a Municipal Corporation ("City"), to provide funds for the Community Triage Center, operated by WestCare at 315 Record Street, Reno, Nevada.

WITNESSETH:

WHEREAS, the parties recognize that chronically inebriated and mentally ill individuals disproportionately access local hospital emergency rooms and the Washoe County Detention Facility ("WCDF"), leading to overcrowding and a burden on local resources; and

WHEREAS, a major contributing factor to the overcrowding problem is that a significant number of chronic inebriates and mentally ill persons are held in emergency rooms or WCDF for long periods of time because of insufficient availability of mental health beds and other alternative detoxification facilities; and

WHEREAS, the Nevada Legislature recommended that the community create a centrally located drop-off triage center for those mentally ill persons and chronic inebriates who are not in need of emergency room care, which would be funded by state and local governments, with contributions also made by area hospitals; and

WHEREAS, the parties to this Agreement each hereby agree that a centrally located drop-off triage center for those mentally ill persons and chronic inebriates who are not in need of emergency room care and do not belong in the WCDF is a substantial benefit to the inhabitants of the Northern Nevada region due to cost savings, and that the Community Triage Center ("CTC") operated by WestCare provides such a service; and

WHEREAS, the CTC helps relieve the overcrowding of local emergency rooms and detention centers by diverting people having substance abuse and mental health crises to a more appropriate treatment setting, and

WHEREAS, area hospital parties, in conjunction with the State of Nevada have committed to providing certain funds to the Community Triage Center according to the terms and conditions of this Agreement to help address the immediate public health crisis and alleviate some of the overcrowding of the hospital parties' emergency rooms and detention center; and

WHEREAS, in accordance with the terms and conditions set forth in this Agreement, the parties agree to contribute the amounts designated to be used and applied solely as their respective contributions toward the estimated operating budget costs for the CTC ("WestCare Budget"), for the period beginning July 1, 2013, and ending June 30, 2014, subject to earlier termination as provided herein ("Term").

NOW, THEREFORE, it is agreed by WestCare and the City of Sparks as follows:

1. DEFINITIONS

The following definitions apply to this Agreement.

- A. "Commencement Date" means July 1, 2013, or the date thereafter that this Agreement becomes effective by execution by both the parties hereto.
- B. "Agreement" means this Agreement, and all exhibits and/or attachments, hereto.
- C. "WestCare" means WestCare Nevada, Inc.
- D. "Local Governments" means City of Sparks, Washoe County and City of Reno
- E. "Hospital Parties" means Carson Tahoe Regional Healthcare, Northern Nevada Medical Center, Prime Healthcare Services, Renown Regional Medical Center and Renown South Meadows Medical Center (together referred as the "Hospital Parties").
- F. "Funding Parties" means Hospital Parties, the City, Washoe County and the City of Reno.

2. FUNDING OF THE COMMUNITY TRIAGE CENTER

- A. WestCare will invoice the Funding Parties as provided herein. Upon execution of respective contract agreements, WestCare may commence invoicing those individual parties for their portion of funding obligation in accordance with the terms of their agreements.
- B. WestCare has increased the services provided and covered under the budget for operations.

The funds to be provided by the hospital parties under separate Agreement(s) for their yearly share toward the WestCare Budget during the Term shall be as follows:

Carson Tahoe Regional Medical Center	\$70,000
Northern Nevada Medical Center	\$35,000
Prime Health	\$155,000
Renown Regional Medical Center	\$210,000
Renown South Meadows Medical Center	<u>\$30,000</u>
Total	\$500,000

- B. The funds to be provided by the Local Governments under separate Agreements for their yearly share toward the WestCare Budget shall be as follows:

Washoe County --

Cash	\$190,000
In-kind	\$263,258

City of Reno --

In-kind	\$106,600
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City of Sparks --

Cash	\$86,121
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Total Cash – local governments	\$276,121
Total In-kind – local governments	\$369,858

Administrative fees paid to WestCare under this Agreement are limited to not more than 10% of the program budget.

C. For the Term of this Agreement, each of the parties agrees to contribute funds as indicated in paragraphs A and B of this Section 2. However, one time during the Term of this AGREEMENT based upon an analysis of the first nine (9) months of operations (July 2013 – March 2014) of the Community Triage Center budget compared to actual expense an adjustment to the total contributions may be made if actual annualized expenses for the CTC will be under budget for year. At the time it is determined that the CTC will be spending less than the budgeted amount, the CTC will refund to each of the contributing parties their proportionate share of the over payment. Each of the parties to this AGREEMENT agrees to pay its quarterly contribution simultaneously with the execution of this AGREEMENT in a lump sum in an amount equal to the total quarterly costs for each of the quarters occurring after June 30, 2013 and prior to the execution of this AGREEMENT; and for each of the quarters occurring on or after the execution of this AGREEMENT, each of the parties agrees to pay its share of the quarterly costs on or before the 10th day of each calendar quarter.

D. The funds to be provided by the hospital parties under this AGREEMENT shall be contingent upon WestCare receiving the funds to be provided by the Local Governments under their respective AGREEMENT(S), and WestCare receiving funding for the remaining balance of the WestCare Budget for WestCare's fiscal year ending June 30, 2014, from State Mental Health Funds as those monies provided from the 2013 Legislative session or other sources in the amount of \$500,000 ("State Portion"). In the event that WestCare fails to secure the State Portion from sources other than the parties to this AGREEMENT by January 1, 2014, then this AGREEMENT shall automatically terminate on January 15, 2014, with none of the Hospital Parties, Local Governments or WestCare having any further obligations or responsibilities hereunder (except as otherwise provided in this AGREEMENT), and this AGREEMENT shall be cancelled, deemed null and void and of no further effect as of January 15, 2014. If WestCare procures the State Portion, it shall provide evidence of such funding to all parties to this AGREEMENT by January 15, 2014.

E. Each of the hospital parties, Washoe County and the City shall make its quarterly payment directly to WestCare, who shall provide written receipt of such payments to the contributing party.

3. SCOPE OF SERVICES TO BE PROVIDED BY WESTCARE

A. WestCare will operate the CTC at 315 Record Street, #103, Reno, Nevada and provide inpatient mental health, substance abuse, and detoxification services to adults who are chronic inebriates and may be homeless, as well as such services as otherwise set forth in this AGREEMENT (the "Services"). Any hospital party to this AGREEMENT may refer a client to the CTC.

B. In operating this facility, WestCare agrees that at all times during the Term it will:

1. Adhere to the scope of work as outlined in Attachment A
2. Triage all patients to assess their needs through mental health and substance abuse assessments performed by licensed professionals.

3. Provide all Services in a residential/inpatient setting based on the needs of the patient.
4. Provide: (i) social model and medically supported detoxification services, (ii) adult psychiatric evaluations, as clinically necessary and administer psychotropic medications, and (iii) case management services to assist patients with follow-up, and (iv) long-term medical, psychiatric and substance abuse treatment.
5. Employ management, staff and volunteers with sufficient technical knowledge, skill, and expertise necessary to provide the Services.
6. Be available for consultation regarding patient management and referral of patient services with all Hospital Parties to this AGREEMENT during normal working hours and at such other reasonable times as to not conflict with WestCare's other responsibilities.
7. Operate a facility that provides services for those in need of detoxification and/or mental health stabilization services. The CTC has become a necessary resource to the homeless continuum of care in that it provides a location for those homeless individuals who are under the influence and cannot gain access to other community provided shelters until they are no longer intoxicated. Over 45% of the 1,600 individuals served annually by the CTC are homeless individuals. Intensive case management offers all individuals the opportunity to be connected to vital community resources and supports. Case managers meet with each client and assess their immediate needs. Efforts are directed towards identifying appropriate treatment, stable supportive living, and mainstream services to assist clients, reduce recidivism, and promote a healthy lifestyle.
8. Continue to pursue additional/alternative funding sources and service lines to ensure that the CTC can remain viable.
9. Submit monthly Executive Summaries to the parties of this AGREEMENT, which shall be due on the 25th of each month following the month for which the report is prepared, with the first report due October 25, 2013. These reports shall cover the activities of the CTC, including, but not limited to, (i) the number of persons being brought directly to CTC via Emergency Medical Services (EMS), (ii) the number of persons brought to CTC who were under the influence of drugs or alcohol in a public or private place, (iii) the number of persons who are referred to CTC from hospitals with separate totals for each hospital, (iv) the number of persons who are referred to CTC from detention centers and/or are police drop-offs, and (v) the number of persons referred to CTC from locations other than hospitals, detention centers or are police drop-offs, and the source of those referrals. In addition, the report shall contain the total number of mental health and substance abuse patients seen at the CTC, including adults and the categories of treatment provided and number of medical clearances performed along with the discharge destination of those patients. In addition, a report shall be provided which contains the actual costs to WestCare of serving these patients on an itemized basis and a comparison of such costs to the CTC budget.
10. Maintain complete and accurate financial records pertaining to all matters relative to this AGREEMENT in accordance with generally accepted standard accounting principles and procedures, and retain all such records and supporting documentation applicable to this AGREEMENT for a period of five (5) years after termination of this

AGREEMENT. Furthermore, all such records relating to any analysis or audit performed relative to this AGREEMENT or the WestCare budget shall be retained for five (5) years after such analysis or audit has been performed and any findings have been resolved. In the event that WestCare no longer operates in Nevada, it shall be required to deliver a copy of all of its records relating to this AGREEMENT to be retained by Washoe County for the required period of time. All parties to this AGREEMENT, at their own cost, shall be provided reasonable access to such records for purposes related to the AGREEMENT.

11. Maintain all federal, state, and local licenses and registrations applicable to WestCare for the services to be performed at the CTC and assure that all such services are performed in compliance with all applicable laws, rules and regulations.

12. Maintain appropriate automobile, general liability, casualty, professional liability, workers compensation and other insurance in types and amounts customary for the type of services performed under this AGREEMENT, (but in no event less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate with respect to each of the general and professional liability insurance policies), from insurance companies licensed in Nevada. WestCare shall provide evidence of such coverage to each party prior to the execution of this AGREEMENT.

4. TERM OF AGREEMENT

This AGREEMENT shall be retroactive to July 1, 2013 and shall be effective until June 30, 2014 ("Expiration Date"), unless sooner terminated as expressly provided in this AGREEMENT. The parties to this AGREEMENT may at their sole option renew this AGREEMENT for an additional 1-year period. Throughout the term of this AGREEMENT including any renewal elected by the parties, WestCare agrees to provide the services as required by this AGREEMENT.

5. RIGHT TO CONDUCT ANALYSIS AND INSPECT

Parties of this agreement shall each appoint a representative from their organization to serve on an oversight committee. The Committee shall provide input to the operations, review of fiscal management and suggestions to the system for the purposes of improved access, and care of those served by WestCare in the operation of the CTC.

6. CANCELLATION

This AGREEMENT may be cancelled with or without cause. Cancellation shall be made by a written Notice of Cancellation and shall be effective thirty (30) days after the receipt of the Notice of Cancellation by the non-cancelling party. The notice shall be deemed received three days after mailing by regular mail. The Notice must be served by mailing at the following addresses:

City of Sparks
Community Services Department
431 Prater Way
Sparks, Nevada 89431
Attn: George T. Graham, Housing Specialist

WestCare Nevada, Inc.
900 Grier Drive,
Las Vegas, NV 89119
Attn: Chief Executive Officer

This AGREEMENT shall not be terminated in its entirety for a default of one party.

7. MODIFICATION /AMENDMENT

Except as otherwise provided in section 2, paragraph C, this AGREEMENT shall not be modified or amended except by the express written agreement of WestCare, and the City, signed by a duly authorized representative of each party. Any other attempt to modify or amend this AGREEMENT shall be null and void and may not be relied upon by any party.

8. EACH PARTY TO BEAR RESPONSIBILITY FOR OWN ACTIONS

Each party to this AGREEMENT shall be responsible for the acts and omissions of that party, its officers, directors, employees, contractors and agents.

9. OTHER PARTY INTEREST

This AGREEMENT is entered into for the exclusive benefits of the parties hereto and is not intended to benefit any individual or entity not expressly named a party herein.

10. INDEPENDENT ENTITIES

WestCare, the hospital parties and the Local Governments are all independent entities and nothing contained in this AGREEMENT shall be construed or be deemed to create a relationship of employer and employee or principal and agent or any relationship other than that of independent parties among them, contracting with each other solely for the purpose of carrying out the provisions of this AGREEMENT on a several basis. Each of the hospital parties and Local Governments enter into this AGREEMENT severally only, and shall not be obligated under this AGREEMENT jointly, jointly and severally or other than as separate and independent parties.

11. ENTIRE AGREEMENT

This executed AGREEMENT contains the entire agreement among the parties hereto relating to rights granted and obligations assumed by the parties herein. Any prior agreement, contract, promises, negotiations, or representation, either oral or written, relating to the subject matter for this AGREEMENT not expressly set forth in this AGREEMENT is superseded by this AGREEMENT and of no further force or effect.

12. EXECUTION IN COUNTERPARTS

This AGREEMENT may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute an agreement. To facilitate the execution of this AGREEMENT, the parties may execute and exchange by facsimile counterparts of the signature pages.

13. JURISDICTION AND GOVERNING LAW

It is understood and agreed by and between the parties that this Agreement shall be deemed and construed to be entered into and to be performed in the County of Washoe, State of Nevada, and it is further understood and agreed by and between the parties hereto that the laws of the State of Nevada shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement.

14. FUNDING OUT CLAUSE

In the event the City fails to appropriate or budget funds for the purposes as specified in this Agreement, the Agreement is terminated. The City agrees to provide a written notice to the parties in the event this situation should occur.

15. INDEMNIFICATION

Westcare shall indemnify, hold harmless and defend the City and the hospital parties from and against liability, damages, expenses, causes of action, suits, claims or judgments, including reasonable attorney fees and costs, including those related to bodily injury, sickness, disease, or death or damage to property caused, directly or indirectly, by Westcare, its employees, agents, and independent contractors arising out the services provided by Westcare at the Community Triage Center.

IN WITNESS WHEREOF, WestCare and the City hereto have caused this AGREEMENT to be executed by their duly authorized representatives.

PASSED, ADOPTED AND APPROVED this _____ day of _____, 2013.

WESTCARE NEVADA, INC.

BY: _____
Richard Jinenez

ITS: Senior Vice President

DATE: _____

ATTEST:

BY: _____

PASSED, ADOPTED AND APPROVED this _____ day of _____, 2013.

CITY OF SPARKS

BY: _____
GENO MARTINI, MAYOR

ATTEST:

BY: _____
CITY CLERK

APPROVED AS TO FORM:

BY: _____
DEPUTY CITY ATTORNEY