

**COUNTY OF MENDOCINO
STANDARD SERVICES AGREEMENT**

This Agreement is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the "COUNTY", and **North Coast Drivers**, hereinafter referred to as the "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, COUNTY desires to obtain CONTRACTOR for its Multiple Offender Driving Under the Influence program; and,

WHEREAS, CONTRACTOR is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to COUNTY.

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit "A", and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- | | |
|--------------|--------------------------------------------------------------------------------------------------------------------|
| Exhibit A | Definition of Services |
| Exhibit B | Payment Terms |
| Exhibit C | Insurance Requirements |
| Exhibit D | Assurance of Compliance with Nondiscrimination in State and Federally Assisted Programs |
| Appendix A | Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Lower Tier Covered Transactions |
| Addendum A | Business Associate – Qualified Service Organization Agreement |
| Attachment A | Multiple Offender Contract |
| Attachment B | Calculation of Program Fees |

The term of this Agreement shall be from July 1, 2018 (the "Effective Date"), and shall continue through June 30, 2019.

The sole consideration due to CONTRACTOR for performance of services pursuant to this contract is the retention by CONTRACTOR of 95% of all client fees collected by CONTRACTOR, not to exceed Three Hundred Eighty Thousand (\$380,000) for the term of this Agreement. CONTRACTOR shall pay COUNTY 5% of all client fees collected to reimburse COUNTY for costs which the Alcohol and Drug Program Administrator incurs in carrying out required duties as described in Exhibit A.

IN WITNESS WHEREOF

DEPARTMENT FISCAL REVIEW:

By: *A. Molgaard*
Anne Molgaard, Acting HHSA Director

Date: 5/8/18

Budgeted: Yes No

Budget Unit: 4012

Line Item: 82-6348

Org/Object Code: DDAdmin

Grant: Yes No

Grant No.:

COUNTY OF MENDOCINO

By: *Dan Hamburg*
DAN HAMBURG, Chair
BOARD OF SUPERVISORS

Date: JUN 20 2018

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By: *Karla Van Hagen*
Deputy JUN 20 2018

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: *Karla Van Hagen*
Deputy JUN 20 2018

INSURANCE REVIEW:

By: *Carmel J. Angelo*
Risk Management

Date: 5-2-18

CONTRACTOR/COMPANY NAME

By: *William Meirs*
William Meirs, Chief Financial Officer

Date: 5/25/18

NAME AND ADDRESS OF CONTRACTOR:

North Coast Drivers
55 W. Mendocino Ave.
Willits, CA 95490
707-459-9431
meirs@sbcglobal.net

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,
County Counsel

By: *Charlotte Scott*
Deputy

Date: 5/11/18

EXECUTIVE OFFICE/FISCAL REVIEW:

By: *Janelle Row*
Deputy CEO

Date: 5-2-18

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; \$50,001+ Board of Supervisors
Exception to Bid Process Required/Completed EB# 18-109
Mendocino County Business License: Valid
Exempt Pursuant to MCC Section: 501c3

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and COUNTY laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the COUNTY agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two (2) week's written notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the furthest extent permitted by law (including without limitation California Civil Code sections 2782 and 2782.8, if applicable), CONTRACTOR shall assume the defense of, indemnify, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, demands, damages, costs, liabilities, and losses whatsoever alleged to be occurring or resulting in connection with the CONTRACTOR'S performance or its obligations under this AGREEMENT, unless arising 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.
3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

CONTRACTOR affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code and CONTRACTOR further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONTRACTOR shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONTRACTOR'S and subcontractors' employees.

5. **CONFORMITY WITH LAW AND SAFETY:**
 - a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.

- b. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.
 - c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit "B" hereto as funding permits.
- If COUNTY over pays CONTRACTOR for any reason, CONTRACTOR agrees to return the amount of such overpayment to COUNTY, or at COUNTY's option, permit COUNTY to offset the amount of such overpayment against future payments owed to CONTRACTOR under this Agreement or any other agreement.
- In the event CONTRACTOR claims or receives payment from COUNTY for a service, reimbursement for which is later disallowed by COUNTY, State of California or the United States Government, the CONTRACTOR shall promptly refund the disallowance amount to COUNTY upon request, or at its option COUNTY may offset the amount disallowed from any payment due or that becomes due to CONTRACTOR under this Agreement or any other agreement.
7. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
8. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby assigns the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third

parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

The COUNTY's rights under this Paragraph 8 shall not extend to any computer software used to create such Documents and Materials.

9. CONFLICT OF INTEREST: The 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.
10. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO
HHS Behavioral Health and Recovery Services
1120 S. Dora Street
Ukiah, CA 95482
Attn: Melinda Driggers

To CONTRACTOR: North Coast Drivers
55 W. Mendocino Ave.
Willits, CA 95490
Attn: William Meirs

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

11. USE OF COUNTY PROPERTY: CONTRACTOR shall not use COUNTY property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
12. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CONTRACTOR certifies that it will comply with all Federal, State, and local laws, rules and regulations pertaining to nondiscrimination in employment.
 - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, pregnancy, disability, sex, sexual orientation, gender identity, ancestry, national origin, age, religion, Veteran's status, political affiliation, or any other factor prohibited by law.
 - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, engaged in any unlawful discrimination.
 - c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to

its employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.

- d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - e. The CONTRACTOR shall include the provisions set forth in this paragraph in each of its subcontracts.
13. DRUG-FREE WORKPLACE: 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 *nolo contendere* to a criminal drug statute violation occurring at a COUNTY facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the COUNTY department/agency for which the contract services are performed. Violation of this provision shall constitute a material breach of this Agreement.
14. ENERGY CONSERVATION: CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
15. COMPLIANCE WITH LICENSING REQUIREMENTS: CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.

Before the COUNTY will issue a notice to proceed with the Services, CONTRACTOR and any subcontractors must acquire, at their expense, a business license from COUNTY in accordance with MCC 6.0. Such licenses must be kept valid throughout the Agreement term.

CONTRACTOR represents and warrants to COUNTY that CONTRACTOR and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions.

16. AUDITS; ACCESS TO RECORDS: The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, within sixty (60) days after examination, its authorized agents, officers or employees

such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

The CONTRACTOR shall maintain full and adequate records in accordance with COUNTY requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within COUNTY or CONTRACTOR shall pay to the COUNTY the reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR's books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such inspection. The COUNTY further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

17. DOCUMENTS AND MATERIALS: CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 8 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
18. TIME OF ESSENCE: 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.
19. TERMINATION: The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon giving to the CONTRACTOR notice. Such notice shall be in writing and may be issued by any COUNTY officer authorized to execute or amend the contract, the County Chief Executive Officer, or any other person designated by the County Board of Supervisors. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the COUNTY shall be entitled to 5% of all client fees collected prior to the effective date of said suspension, termination or abandonment; the CONTRACTOR shall be entitled to

95% of all client fees collected by CONTRACTOR, not to exceed \$380,000 for the term of this Agreement. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to COUNTY shall not exceed 5% of all client fees collected prior to the effective date of said suspension, termination or abandonment or lack of funding.

20. **NON APPROPRIATION:** If COUNTY should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the products set forth in this Agreement, or other means of performing the same functions of such products, COUNTY may unilaterally terminate this Agreement only upon thirty (30) days written notice to CONTRACTOR. Upon termination, COUNTY shall remit payment for all products and services delivered to COUNTY and all expenses incurred by CONTRACTOR prior to CONTRACTOR'S receipt of the termination notice.
21. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. **VENUE:** All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California.
23. **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.
24. **ADVERTISING OR PUBLICITY:** CONTRACTOR shall not use the name of COUNTY, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
25. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties. In the event of a conflict between the body of this

Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.

26. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
27. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.
28. ASSURANCE OF PERFORMANCE: If at any time the COUNTY has good objective cause to believe 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 thirty (30) 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.
29. SUBCONTRACTING/ASSIGNMENT: CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
 - a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
 - b. Only the department head or his or her designee shall have the authority to approve subcontractor(s).
 - c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
30. SURVIVAL: The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 8), and Conflict of Interest (Paragraph 9), shall survive termination or expiration for two (2) years.

31. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
32. **INTELLECTUAL PROPERTY WARRANTY:** CONTRACTOR warrants and represents that it has secured all rights and licenses necessary for any and all materials, services, processes, software, or hardware ("CONTRACTOR PRODUCTS") to be provided by CONTRACTOR in the performance of this AGREEMENT, including but not limited to any copyright, trademark, patent, trade secret, or right of publicity rights. CONTRACTOR hereby grants to COUNTY, or represents that it has secured from third parties, an irrevocable license (or sublicense) to reproduce, distribute, perform, display, prepare derivative works, make, use, sell, import, use in commerce, or otherwise utilize CONTRACTOR PRODUCTS to the extent reasonably necessary to use the CONTRACTOR PRODUCTS in the manner contemplated by this agreement.

CONTRACTOR further warrants and represents that it knows of no allegations, claims, or threatened claims that the CONTRACTOR PRODUCTS provided to COUNTY under this Agreement infringe any patent, copyright, trademark or other proprietary right. In the event that any third party asserts a claim of infringement against the COUNTY relating to a CONTRACTOR PRODUCT, CONTRACTOR shall indemnify and defend the COUNTY pursuant to Paragraph 2 of this AGREEMENT

In the case of any such claim of infringement, CONTRACTOR shall either, at its option, (1) procure for COUNTY the right to continue using the CONTRACTOR Products; or (2) replace or modify the CONTRACTOR Products so that that they become non-infringing, but equivalent in functionality and performance.

33. **ELECTRONIC COPIES:** The parties agree that an electronic copy, including facsimile copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document.
34. **COOPERATION WITH COUNTY:** CONTRACTOR shall cooperate with COUNTY and COUNTY staff in the performance of all work hereunder.
35. **PERFORMANCE STANDARD:** CONTRACTOR shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in CONTRACTOR's profession. COUNTY has relied upon the professional ability and training of CONTRACTOR as a material inducement to enter into this Agreement. CONTRACTOR hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the

requirements of applicable Federal, State, and local laws, it being understood that acceptance of CONTRACTOR 's work by COUNTY shall not operate as a waiver or release. If COUNTY determines that any of CONTRACTOR 's work is not in accordance with such level of competency and standard of care, COUNTY, in its sole discretion, shall have the right to do any or all of the following: (a) require CONTRACTOR to meet with COUNTY to review the quality of the work and resolve matters of concern; (b) require CONTRACTOR to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of paragraph 19 (Termination) or (d) pursue any and all other remedies at law or in equity.

[END OF GENERAL TERMS AND CONDITIONS]

EXHIBIT A

DEFINITION OF SERVICES

CONTRACTOR shall provide a Driving Under the Influence (DUI) Multiple Offender Program (SB 38) including 18-month and 30-month program services designed to: (1) reduce the number of repeat DUI offenses by persons who complete a DUI program; and (2) provide participants an opportunity to address problems related to the use of alcohol and/or other drugs.

1. Program Requirements

- a. Provide all DUI programs consistent with the requirements of California Health and Safety Code Division 10.5, Part 2, Chapter 9 commencing with Section 11836; the regulations of Title 9, California Code of Regulations, Division 4, Chapter 3, commencing with Section 9795; and standards of The Department of Health Care Services (DHCS), Substance Use Disorder Compliance Division, Driving-Under-the-Influence (DUI) Unit.
- b. Maintain state licensure and submit to oversight by both the DHCS DUI Unit and COUNTY.
- c. Demonstrate administrative, fiscal, and operational capabilities to operate a DUI program.
- d. Provide programs in a clean, safe environment, free of alcohol or illicit drug use.

2. Additional Program Requirements

- a. All service requirements by the CONTRACTOR that are in addition to those specified under law must be approved by the Behavioral Health and Recovery Services (BHRS) Director or designee within the first 30 days of the contract beginning date.
- b. While active in the program, each participant will be required to attend Alcohol/Narcotic Anonymous (AA/NA), Red Road, Celebrate Recovery or other community self-help meetings that correspond to the program length assigned. Documentation of attendance is required.
- c. If a participant disagrees with the sectarian principles advocated by the self-help groups, alternative community related services may be substituted for the self-help meetings. Community related services can include volunteering at the Ukiah Community Center Food Bank, Plow Shares, Manzanita, Arbor or other community related outreach centers.

d. Wet Reckless Education, available but not required

- i. 3 Month Program, 1 Self-Help Meeting per Week to Total 12 Meetings
- ii. 6 Month Program, 1 Self-Help Meeting per Week to Total 26 Meetings
- iii. 9 Month Program, 1 Self-Help Meeting per Week to Total 39 Meetings
- iv. 12 Month Program, 1 Self-Help Meeting per Week to Total 52 Meetings
- v. 18 Month Program, 1 Self-Help Meeting per Week to Total 78 Meetings
- vi. 30 Month Program, 1 Self-Help Meeting per Week to Total 130 Meetings

e. It is recognized that additional outside recovery oriented meetings (i.e. AA/NA, Celebrate Recovery, individual counseling, etc.) may be recommended by the criminal justice system.

3. Financial Audit

a. CONTRACTOR shall complete a financial audit of funds received and expended under this agreement by June 30, 2019. This audit shall be conducted by a Certified Public Accountant. County Monitoring Fee will be 5%.

4. Monitoring, Evaluation and Quality Assurance

a. CONTRACTOR shall delegate sufficient staff to fully participate in all Substance Use Disorders Treatment (SUDT) monitoring, evaluation and quality assurance program activities as requested by the BHRS Director or designee. CONTRACTOR will provide e-mail address and a computer with Internet access. COUNTY will provide system training materials and training sessions to program staff.

5. Leave of Absence and Transfers

a. CONTRACTOR may approve, on behalf of the BHRS Director, all client leaves of absence and program transfers in accordance with state regulations.

6. Multiple Offender DUI Contract

a. Services will be provided as outlined in the Multiple Offender DUI Contract (see Attachment A).

7. Calculation of Program Fees

a. Client fees will be in accordance with the Calculation of Program Fees for the multiple offender programs (see Attachment B).

8. In carrying out the Scope of Work contained in this Exhibit A, CONTRACTOR shall comply with all requirements to the satisfaction of the COUNTY, in the sole discretion of the COUNTY. For any finding of CONTRACTOR's non-compliance with the requirements contained in the Exhibit A, COUNTY shall within ten (10) working days of discovery of non-compliance notify CONTRACTOR of the requirement in writing. CONTRACTOR shall provide a written response to COUNTY within five (5) working days of receipt of this written notification. If the non-compliance issue has not been resolved through response from CONTRACTOR, COUNTY shall notify CONTRACTOR in writing that this non-compliance issue has not been resolved. COUNTY may withhold monthly payment until such time as COUNTY determines the non-compliance issue has been resolved. Should COUNTY determine that CONTRACTOR's non-compliance has not been addressed to the satisfaction of COUNTY for a period of thirty (30) days from the date of first Notice, and due to the fact that it is impracticable to determine the actual damages sustained by CONTRACTOR's failure to properly and timely address non-compliance, COUNTY may additionally require a payment from CONTRACTOR in the amount of fifteen percent (15%) of the monthly amount payable to CONTRACTOR for each month following the thirty (30) day time period that CONTRACTOR's non-compliance continues. The parties agree this fifteen percent payment shall constitute liquidated damages and is not a penalty. CONTRACTOR's failure to meet compliance requirements, as determined by COUNTY, may lead to termination of this contract by the COUNTY with a forty-five (45) day written notice.
9. CONTRACTOR shall maintain compliance with California Code of Regulations Title 9, MHP contract, California Code of Regulations Title 42, The Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations, state and federal laws, and other Mendocino County MHP requirements for client confidentiality and record security.
10. CONTRACTOR shall notify COUNTY of all communications with Media, including, but not limited to, press releases, interviews, articles, etc. CONTRACTOR shall not speak on behalf of COUNTY in any communications with Media but is encouraged to describe the services it provides and respond to questions about those services. CONTRACTOR is also encouraged, where appropriate, to provide timely and factual responses to public concerns.
11. Prior to terminating this Agreement, CONTRACTOR shall give at least forty-five (45) days written notice of termination to COUNTY.

[END OF DEFINITION OF SERVICES]

EXHIBIT B

PAYMENT TERMS

1. This is a fee for service program contract. CONTRACTOR shall pay COUNTY 5% of all client fees as a monitoring fee. CONTRACTOR will retain 95% of all client fees collected for the term of this Agreement.
2. Payment to COUNTY shall occur within fifteen (15) days of the end of each month. CONTRACTOR's revenues shall be allocated in accordance with the payment schedule set forth in Exhibit B below.
3. Payment to COUNTY should be sent to:

COUNTY OF MENDOCINO
Behavioral Health and Recovery Services
1120 S. Dora Street
Ukiah, CA 95482
Attn: Jenine Miller

EXHIBIT B-PAGE 2

NORTH COAST DRIVERS, INC. dba LUCKY DEUCE DUI/DDP
PAYMENT SCHEDULES

FIRST OFFENDER PROGRAM (LEVEL I)

PROGRAM FEE \$ 662.00
DOWN PAYMENT \$320.00
BALANCE DUE \$342.00

3 MONTHS= \$3 X \$114.00

MULTIPLE OFFENDER PROGRAM -18 MONTH

PROGRAM FEE \$ 1736.00
DOWN PAYMENT \$ 350.00
BALANCE DUE \$ 1386.00

12 MONTHS= 1 X \$121.00
11 X \$115.00

EXTENDED PAYMENT SCHEDULES

4 MONTHS= 1 X \$87.00
3 X \$85.00

5 MONTHS= 1 X \$70.00
4 X \$68.00

6 MONTHS= 6 X \$57.00

13 MONTHS= 1 X \$102.00
12 X \$107.00

14 MONTHS= 14 X \$99.00

15 MONTHS= 1 X \$98.00
14 X \$92.00

16 MONTHS= 1 X \$96.00
15 X \$86.00

17 MONTHS= 1 X \$90.00
16 X \$81.00

18 MONTHS 18 X \$77.00

FIRST OFFENDER PROGRAM (LEVEL II/6MO.)

PROGRAM FEE \$1005.00
DOWNPAYMENT \$ 320.00
BALANCE DUE \$ 685.00

6 MONTHS= 1 X \$115.00
5 X \$114.00

EXTENDED PAYMENT SCHEDULE

7 MONTHS= 1 X \$97.00
6 X \$98.00

8 MONTHS= 1 X \$90.00
7 X \$85.00

9 MONTHS= 1 X \$77.00

MULTIPLE OFFENDER PROGRAM- 12 MONTHS

PROGRAM FEE \$1586.00
DOWNPAYMENT \$ 302.00
BALANCE DUE \$1284.00

12 MONTHS= 12 X \$107.00

FIRST OFFENDER PROGRAM (LEVEL II/9 MO.)

PROGRAM FEE \$1086.00
DOWN PAYMENT \$ 300.00
BALANCE DUE \$ 786.00

9 MONTHS= 1 X \$90.00
8 X \$87.00

NO EXTENDED PAYMENTS FOR 12 MONTH DDP

WET RECKLESS PROGRAM
PROGRAM FEE \$390.00

EXTENDED PAYMENT SCHEDULE

10 MONTHS= 1 X \$84.00
9 X \$78.00

11 MONTHS=

12 MONTHS= 1 X \$71.00
11 X \$65.00

DUE AT TIME OF INTAKE
NO EXTENDED PAYMENTS FOR W/R PROGRAM

[END OF PAYMENT TERMS]

EXHIBIT C

INSURANCE REQUIREMENTS

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, CONTRACTOR's indemnity obligations under Paragraph 2 of this Agreement.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

[END OF INSURANCE REQUIREMENTS]

EXHIBIT D
CONTRACTOR ASSURANCE OF COMPLIANCE WITH
THE MENDOCINO COUNTY
HEALTH & HUMAN SERVICES AGENCY
**NONDISCRIMINATION IN STATE
AND FEDERALLY ASSISTED PROGRAMS**

NAME OF CONTRACTOR: **North Coast Drivers**

HEREBY AGREES THAT it will comply with Title VI and VII of the Civil Rights Act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended and in particular section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code section 11135-11139.5, as amended; California Government Code section 12940 (c), (h) (1), (i), and (j); California Government Code section 4450; Title 22, California Code of Regulations section 98000 – 98413; Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California Government Code Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996; Section 106 (g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C. 7104); 45 CFR 96.131 (a)-(c) Admission Priority and Interim Services for Pregnant Women; CLAS (Culturally and Linguistically Appropriate Services National Standards); Civil Rights, Division 21 and ADA as amended; Title 42, CFR, Part 54 (Charitable Choice); Title 42, United States Code (USC), Section 300x-24 (b) (7) (A) and (B), Title 45 Code of Regulations (CFR), Section 96.128 (a) (4) Requirements regarding Human Immunodeficiency Virus (HIV) and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, sexual orientation, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed or political belief be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and HEREBY GIVE ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE CONTRACTOR HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, CONTRACTOR agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code section 10605, or Government Code section 11135-11139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on CONTRACTOR directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

_____ 5/25/10 _____
Date

55 W. Mendocino Ave., Willits, CA 95490
Address of CONTRACTOR

_____ *William M...* _____
CONTRACTOR Signature

Appendix A
CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, and OTHER RESPONSIBILITY MATTERS
LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

- (1) The primary principal certifies to the best of its knowledge and belief, that it and its principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency:
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment tendered against them for commission of fraud or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsifications or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification, and
 - (d) Have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the primary principal is unable to certify to any of the statements in this certification, such principal shall attach an explanation.

William Meirs
(Type Name)

Chief Financial Officer
(Title)

William Meirs
(Signature)

North Coast Drivers
(Organization Name)

55 W. Mendocino Ave.
Willits, CA 95490
(Organization Address)

5/25/18
(Date)

ADDENDUM A
Business Associate – Qualified Service Organization Agreement

THIS HIPAA BUSINESS ASSOCIATE and QUALIFIED SERVICE ORGANIZATION AGREEMENT (the "Agreement") is entered into effective July 1, 2018 (the "Effective Date"), by and between **North Coast Drivers**, ("Business Associate") and **Mendocino County** (the "Covered Entity").

Business Associate and Covered Entity have a business relationship (the "Relationship" or the "Agreement") in which Business Associate may perform functions or activities on behalf of Covered Entity involving the use and/or disclosure of protected health information received from, or created or received by, Business Associate on behalf of Covered Entity. Business Associate is also a Qualified Service Organization (QSO) under 42 CFR, Part 2 and agrees to certain mandatory provisions regarding the use and disclosure of substance abuse treatment information. Therefore, if Business Associate is functioning as a Business Associate or QSO to Covered Entity, Business Associate agrees to the following terms and conditions set forth in this Business Associate Agreement.

Definitions

Catch-all definition:

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use. Terms used, but not otherwise defined, in this agreement shall have the same meaning as those terms in the HIPAA and CFR 42 Part 2 Regulations. Protected Health Information (PHI) includes electronic Protected Health Information (ePHI).

Specific definitions:

- (a) **Business Associate**. "Business Associate" shall generally have the same meaning as the term "Business Associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean **North Coast Drivers**.
- (b) **Qualified Service Organization**. "Qualified Service Organization" shall generally have the same meaning as defined in 42 CFR 2.11, and in reference to the party to this agreement, shall mean **North Coast Drivers**.
- (c) **Covered Entity**. "Covered Entity" shall generally have the same meaning as the term "Covered Entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean **Mendocino County**.

- (d) **HIPAA Rules.** "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164 as well as the HITECH Act.
- (e) **CFR 42 Part 2.** "CRF 42 Part 2" shall mean the federal law governing Confidentiality of Alcohol and Drug Abuse Patient Records and its implementing regulations.

Obligations and Activities of Business Associate

Business Associate agrees to:

- (a) **Limitations on Uses and Disclosures of PHI.** Business Associate shall not, and shall ensure that its directors, officers, employees, and agents do not, use or disclose PHI in any manner that is not permitted or required by the Relationship, this Agreement, or required by law. All uses and disclosures of, and requests by Business Associate, for PHI are subject to the minimum necessary rule of the Privacy Standards and shall be limited to the information contained in a limited data set, to the extent practical, unless additional information is needed to accomplish the intended purpose, or as otherwise permitted in accordance with Section 13405(b) of HITECH and any implementing regulations. See Permitted Uses and Disclosures by Business Associate below.
- (b) **Required Safeguards To Protect PHI.** Use, and document the implementation of, appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by this Agreement;
- (c) **Reporting of Improper Use and Disclosures or Breaches of Unsecured PHI.** Report to Covered Entity within 24 business hours of Business Associate becoming aware of any use or disclosure of protected health information not provided for by the Agreement. Business Associate shall also report to Covered Entity within 24 business hours any breaches of unsecured protected health information as required at 45 C.F.R. §§ 164.400-414, and any security incident of which it becomes aware. Report should be made to:

Compliance Officer
Mendocino County Behavioral Health
1-866-791-9337

- (d) **Mitigation of Harmful Effects.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement, including, but not limited to, compliance with any state law or contractual data breach requirements. Business Associate shall cooperate with Covered Entity's breach notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.

- (e) **Agreements by Third Parties.** In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;
- (f) **Access to Information.** Within five (5) business days of a request by the Covered Entity, make available protected health information in a designated record set as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524. In the event an individual delivers directly to the Business Associate a request for access to protected health information, the Business Associate shall within two (2) business days forward such request to the Covered Entity;
- (g) **Availability of PHI for Amendment.** Within five (5) business days of request of a Covered Entity, make amendment(s) to protected health information in a designated record set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526. This includes, but is not limited to, the Business Associate providing such information to the Covered Entity for amendment and incorporation of any such amendment(s) in the protected health information. In the event an individual delivers directly to the Business Associate a request for amendment(s) to protected health information, the Business Associate shall within two (2) business days forward such request to the Covered Entity;
- (h) **Documentation of Disclosures.** Maintain a record of all disclosures of protected health information and information related to such disclosures, including the name of the recipient and the date of disclosure. If known, the records shall also include, the address of the recipient of the protected health information, a brief description of the protected health information disclosed, and the purpose of the disclosure which includes an explanation of the basis of such disclosure;
- (i) **Accounting of Disclosures.** Within five (5) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual during the six (6) years prior to the date on which the accounting was requested, Business Associate shall make available to Covered Entity information to permit Covered Entity to respond to the request for an accounting of disclosures of PHI, as required by 45 C.F.R. § 164.528. In the case of an electronic health record maintained or hosted by Business Associate on behalf of Covered Entity, the accounting period shall be three (3) years and the accounting shall include disclosures for treatment, payment and healthcare operations, in accordance with the applicable effective date of Section 13402(a) of HITECH. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within two (2) days forward such request to Covered Entity;

- (j) **Availability of Books and Records.** Business Associate shall make its internal practices, books, and records relating to the use and disclosure and privacy protection of PHI received from Covered Entity, or created, maintained or received by Business Associate on behalf of the Covered Entity, available to the Covered Entity, the State of California, and the Secretary of the Department of Health and Human Services, in the time and manner designated by the Covered Entity, State or Secretary, for purposes of determining Covered Entity's compliance with the Privacy Standards. Business Associate shall notify the Covered Entity upon receipt of such a request for access by the State or Secretary, and shall provide the Covered Entity with a copy of the request as well as a copy of all materials disclosed.

- (k) **Electronic PHI.** To the extent that Business Associate creates, receives, maintains or transmits electronic PHI (ePHI) on behalf of Covered Entity, Business Associate shall:
 - (i) Comply with 45 C.F.R. §§164.308, 301, 312, and 316 in the same manner as such sections apply to Covered Entity, pursuant to Section 13401(a) of HITECH, and otherwise implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI;
 - (ii) Ensure that any agent to whom Business Associate provides electronic PHI agrees to implement reasonable and appropriate safeguards to protect it; and
 - (iii) Report to Covered Entity any security incident of which Business Associate becomes aware.

- (l) **Business Associate as Agent of Covered Entity.** To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, Business Associate shall comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s).

Permitted Uses and Disclosures by Business Associate

- (a) Business Associate may only use or disclose protected health information:
 - (i) To carry out its duties to the Covered Entity pursuant to the terms of the Relationship;
 - (ii) For its own proper management and administration; and
 - (iii) To carry out its legal responsibilities.

- (b) Business Associate may use or disclose protected health information as required by law.
- (c) Business Associate agrees to limit uses and disclosures and requests for protected health information to the minimum amount necessary to accomplish the purpose of the request, use, or disclosure, and consistent with the Covered Entity's minimum necessary policies and procedures.
- (d) Business Associate may disclose protected health information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person. Additionally, Business Associate must obtain an agreement from the receiving party to immediately notify the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (e) Business Associate may provide data aggregation services relating to the health care operations of the Covered Entity.

Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

- (a) Covered Entity shall notify Business Associate within five (5) business days of notice of any limitation(s) in the notice of privacy practices of Covered Entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of protected health information.
- (b) Covered Entity shall notify Business Associate within five (5) business days of notice of any changes in, or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect Business Associate's use or disclosure of protected health information.
- (c) Covered Entity shall notify Business Associate within five (5) business days of notice of any restriction on the use or disclosure of protected health information that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of protected health information.

42 CFR Part 2 – Substance Abuse Treatment PHI

- (a) **Qualified Service Organization Status.** To the extent that in performing its services for or on behalf of Covered Entity, Business Associate uses, discloses, maintains, or transmits protected health information that is protected by 42 CFR,

Part 2, Business Associate acknowledges and agrees that it is a QSO for the purpose of such federal law. Business Associate/QSO acknowledges that in receiving, storing, processing or otherwise dealing with any PHI from the Covered Entity, it is fully bound by HIPAA and 42 C.F.R. Part 2.

- (b) **Judicial and Administrative Proceedings.** Business Associate/QSO will resist any efforts, including judicial proceedings, to obtain PHI except as provided in 42 C.F.R. Part 2. In the event Business Associate receives a subpoena, court or administrative order or other discovery request or mandate for release of PHI, Covered Entity shall have the right to control Business Associate's response to such request. Business Associate shall notify Covered Entity of the request as soon as reasonably practicable, but in any event within two (2) days of receipt of such request.
- (c) **Limitations.** Business Associate/QSO may use and/or disclose PHI for the proper management and administration of its business, except as otherwise limited by the Agreement or 42 C.F.R. Part 2. Business Associate/QSO may use and/or disclose PHI to carry out its legal responsibilities, except as otherwise limited by the Agreement or 42 C.F.R. Part 2. Business Associate/QSO may use PHI to report violations of law as permitted by HIPAA and 42 C.F.R. Part 2.
- (d) **Notification.** Covered Entity will notify Business Associate/QSO of any changes in or revocation of, authorization by an Individual to use or disclose PHI. Covered Entity will notify Business Associate of any Individual requests for restrictions to the use or disclosure of PHI. Business Associate acknowledges it is fully bound by HIPAA and 42 C.F.R. Part 2.
- (e) **CFR 42 Part 2 Precedence.** Mandatory provisions of HIPAA preempt provisions of the Agreement. Provisions of the Agreement not mandated by HIPAA but nonetheless permitted by HIPAA will control. In the event of inconsistencies between HIPAA and 42 C.F.R. Part 2, the more restrictive rule will control.

Parties will comply with any and all federal, state and local laws pertaining to client confidentiality including, but not limited to, state mental health and developmental disability confidentiality law, state and federal drug and alcohol confidentiality laws and state AIDS/HIV confidentiality laws.

Term and Termination

- (a) **Term.** The Term of this Agreement shall be effective as of July 1, 2018, and shall terminate at the time **North Coast Drivers** ceases to provide services for Mendocino County or on the date Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.
- (b) **Termination for Cause.** Business Associate authorizes termination of this Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of the Agreement. At the Covered Entity's option,

the Covered Entity may permit the Business Associate to cure or end any such violation within the time specified by the Covered Entity. Covered Entity's option to have cured a breach of this Agreement shall not be construed as a waiver of any other rights Covered Entity has in the Relationship, this Agreement or by operation of law or in equity.

(c) Obligations of Business Associate Upon Termination.

- (i) Upon termination of this Agreement for any reason, Business Associate shall return to Covered Entity or, at the Covered Entity's discretion and direction, destroy all protected health information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that the Business Associate still maintains in any form. This provision shall apply to protected health information that is in the possession of the Business Associate or agents of the Business Associate. Business Associate shall retain no copies of the protected health information.
- (ii) Upon termination of this Agreement for any reason, Business Associate may retain certain protected health information for its own management and administration or to carry out its legal responsibilities at the discretion of the Covered Entity. With respect to such protected health information necessary for Business Associate's own management and administration or to carry out its legal responsibilities which was received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, Business Associate shall:
 - 1) Retain only that protected health information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - 2) Return to Covered Entity, or if agreed to by Covered Entity, destroy the remaining protected health information that the Business Associate still maintains in any form;
 - 3) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as Business Associate retains the protected health information;
 - 4) Not use or disclose the protected health information retained by Business Associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out at paragraph (d) above under "Permitted Uses and Disclosures By Business Associate" which applied prior to termination; and
 - 5) Return to Covered Entity or, if agreed to by Covered Entity, destroy the protected health information 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.

- (d) **Survival**. The obligations of Business Associate under this Section shall survive the termination of this Agreement.

Miscellaneous

- (a) **Regulatory References**. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- (b) **Amendment**. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA, CFR 42 Part 2, HITECH, the Privacy Standards, Security Standards or Transactions Standards and any other applicable law.
- (c) **Interpretation**. Any ambiguity in this Agreement shall be interpreted to require compliance with the HIPAA Rules and CFR 42, Part 2.
- (d) **Injunctive Relief**. Business Associate stipulates that its unauthorized use or disclosure of protected health information while performing services pursuant to this Agreement would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled to institute proceedings in any court of competent jurisdiction to obtain damages and injunctive relief.
- (e) **Indemnification**. Business Associate shall indemnify and hold harmless Covered Entity and its officers, trustees, employees, and agents from any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate of its obligations under this Agreement.
- (f) **Exclusion from Limitation of Liability**. To the extent that Business Associate has limited its liability under the terms of this Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of protected health information.
- (g) **Owner of Protected Health Information**. Under no circumstances shall Business Associate be deemed in any respect to be the owner of any protected health information used or disclosed by or to Business Associate by Covered Entity.
- (h) **Third Party Rights**. The terms of this Agreement do not grant any rights to any parties other than Business Associate and Covered Entity.
- (i) **Independent Contractor Status**. For the purposes of this Agreement, Business Associate is an independent contractor of Covered Entity, and shall not be considered an agent of Covered Entity.

IN WITNESS WHEREOF, each Party hereby executes this Agreement as of the Effective Date.

North Coast Drivers

By: William Meirs

Name: William Meirs

Title: Chief Financial Officer

Mendocino County

By: Anne Molgaard

Name: Anne Molgaard

Title: Acting HHSA Director

Attachment A

MULTIPLE OFFENDER CONTRACT

This agreement is made this _____ day of _____, 20____ between NORTH COAST DRIVERS, INC. and _____

NORTH COAST DRIVERS, INC., dba LUCKY DEUCE DUI/DWP, is a State approved SB-38 alcohol treatment program for persons convicted of two or more offenses of driving under the influence of alcohol or other drugs, extending for a minimum of 18 months, including: intake interview; 52 hours of group; 12 hours alcohol education; biweekly face to face interviews until one year core portion of program is completed; and six months "community re-entry". We agree to provide monitoring of client's progress and to furnish reports to the Court as needed.

The enrollment fee covers all assigned aspects of the program. Fees for additional program services are: \$25.00 for any Missed Activity, Leave of Absence, or Late Payment; \$30.00 for Returned Check; \$40.00 for Transfer Out; \$50.00 for Dismissal/Reinstatement; \$10.00 for Duplicate Certificates; \$21.00 for each face to face beyond twenty-six. In the event any of these fees are raised, a 30 day notice will be posted before they go into effect.

1. Condition of participation: Maintain PROGRAM SOBRIETY (you shall not attend program services or be on the program premises while under the influence of any amount of alcohol or drugs, or be convicted of a subsequent DUI offense while enrolled in the program). Total abstinence is a goal, not a requirement.

2. The Core Program assignments are as follows:

A. Participation in biweekly face to face interviews of not less than 15 minutes for a minimum of one year or until the core portion of the program is completed. If extra face to face sessions are required due to absences there will be additional charges as approved by fee schedule in use at the time the service is provided. Any missed face to face must be made up and a missed activity charge assessed.

First face to face appointment: _____

B. Participation in 26 BIWEEKLY GROUP MEETINGS, two hours each. Client is assigned to " _____ " Group, meeting every other _____ from _____ to _____ at 552 W. MAIN ST., #2B, FT. BRAGG starting _____ Tardiness beyond five minutes is considered an absence. All absences must be made up and a missed activity charge assessed.

C. Participation in SIX EDUCATION CLASSES, two hours each. Client is assigned to " _____ " classes, meeting from _____ to _____ at 552 N. MAIN ST., #2B, FT. BRAGG on _____, _____, _____, _____, _____, _____ Tardiness beyond five minutes is considered an absence. All absences must be made up and a missed activity charge assessed.

D. Attendance at Alcoholics Anonymous (or approved alternative) once a week. Attendance to start immediately.

E. Participation in the final six month "community re-entry" portion of the program. Group meetings once a month for 6 months starting after one year AND completion of the core program. Tardiness beyond five minutes is considered an absence and a missed activity charge will be assessed. Absences may be made up by scheduling a face to face interview. Continue weekly A.A. attendance for duration of the program.

Attachment A - Page 2

3. Program rules are as follows:

Maintain PROGRAM SOBRIETY (you shall not attend program services or be on the program premises while under the influence of any amount of alcohol or drugs, or be convicted of a subsequent DUI offense while enrolled in the program). Total abstinence is a goal not a requirement.

Submit to a chemical test as required by program staff.

No sleeping, threatening, belligerent or disruptive behavior. Participants dismissed for physically or verbally abusive behavior towards program staff or other participants will not be accepted back into the program.

Attend A.A. meetings (or approved alternative) on a weekly basis for duration of program. ATTENDANCE TO BEGIN IMMEDIATELY.

Complete all program assignments: intake, core program: 52 hrs group mtgs; 12 hrs alcohol education; biweekly face/face interviews until core program is completed; and weekly A.A. attendance (or approved alternative). The 6 month community reentry must be six full months in duration and cannot be started until at least one year of participation and core program requirements are completed.

Failure to attend first program activity within 21 days of enrollment will result in dismissal from program.

No one may be absent for more than 21 days during the core program. Attendance at a group, alc. ed. or face/face within 21 days of last program activity IS REQUIRED.

No one may be absent for 2 consecutive monthly activities in the last 6 months of community reentry. Absences may be made up with a face to face interview.

No one will be allowed more than ten absences. All absences must be made up.

Attendance records may be signed by authorized persons only (secretary/group leader).

All "Leaves of Absence" must be requested in writing three weeks in advance except in cases of emergency and MUST BE approved by the County, and all conditions adhered to and verified, and attendance resumed as scheduled. LOA for vacation shall be granted only if all absences have been made up and payments are current. Length of program shall be extended to compensate for length of Leave of Absence.

Transfers out of county must be completed and participation started within 21 days of date that transfer is issued. Fees for all services must be paid prior to transfer, or transfer shall be withheld.

Declaration of resignation will result in dismissal from program.

I agree to pay \$_____ in installments as provided in Fee Payment Agreement. Payments must be kept current as agreed to in this contract. I understand that if I am 15 days late with my payment, a financial assessment may be conducted and that if I fail to do so, or my financial situation is unchanged and I fail to make my required payment, I may be suspended from further program activities for up to 45 days. If payments are not brought current within that time I shall be dismissed from the program. State legislation provides including EPW Notice of Completion (DL 101) until all program fees have been paid in full. In the event of dismissal or transfer, a refund will be issued for the unused portion of any advance payments.

I further understand that violation of any of these rules and regulations will result in my case being turned to court for non-compliance. If "self-referred" (not referred by court or probation), I will be dismissed from the program for non-compliance and the length of time before I may request reinstatement is: 1 month for 1st dismissal; 2 months for 2nd dismissal; 3 months for 3rd or subsequent dismissal.

In the event of non-compliance I understand that I will not receive credit for services attended if I am not re-enrolled within 2 years of dismissal.

I understand that should I relocate while participating in the program I may request transfer to another approved program, and that it is my responsibility to initiate the action. Failure to complete transfer within 21 days from last program activity will result in dismissal from the program for non-compliance.

Client's Signature _____

Attachment A - Page 3

8. In the event of non-compliance, a "Notice of Non-Compliance" will be sent to DMV. If referred to the program by Court or Probation, "Notice of Return to Court" will be sent to: the referring Court, D.A., client's attorney and to the client. Copies are available to Probation and DDP coordinator upon agency request.

9. LUCKY DEUCE DUI/DDP will, upon completion of all program requirements and payment of all program fees, issue a "Notice of Completion" (DL-101) to DMV & client within 10 days of completion. If referred by Court/Probation, copies will be sent to those agencies also. Copies are available to D.A., attorney and DDP coordinator upon agency request.

I ACKNOWLEDGE THE ABOVE CONTRACT, and have discussed it with a LUCKY DEUCE DUI/DDP staff member, and fully understand each item. With my signature below, I agree to abide by all terms and conditions set forth in this contract.

Executed this _____ day of _____ 20_____

in the City of FT. BRAGG, County of MENDOCINO

CLIENT SIGNATURE

Approved this _____ day of _____ 20_____

in the City of FT. BRAGG, County of MENDOCINO

STAFF SIGNATURE

Attachment B

NORTH COAST DRIVERS DUI/DDP
CALCULATION OF PROGRAM FEES
MULTIPLE OFFENDER PROGRAM

NAME: _____ MEMBER # _____

MAILING ADDRESS: _____

PROGRAM COSTS:

- 1. _____ INTAKE @ \$247.00 \$ _____
- 2. _____ STATE ASSESSMENT @ \$10.00 \$ _____
- 3. _____ GROUP SESSIONS @ \$18.00 EACH \$ _____
- 4. _____ ALCOHOL EDUCATION SESSIONS @ \$28.00 EACH : \$ _____
- 5. _____ FACE TO FACE SESSIONS @ \$21.00 EACH : \$ _____
- 6. _____ COMMUNITY REENTRY SESSIONS (LAST 6 MO.) @ \$23.00 EACH \$ _____
- 7. _____ ABSENCES (INCL. GROUP, A/E & V/F) @ \$25.00 EACH \$ _____
- 8. _____ LEAVE OF ABSENCE @ \$25.00 EACH \$ _____
- 9. _____ RETURNED CHECK CHARGE @ \$30.00 EACH \$ _____
- 10. _____ LATE PAYMENT @ \$25.00 EACH \$ _____
- 11. _____ TRANSFER OUT @ \$40.00 EACH \$ _____
- 12. _____ DISMISSAL: RTC/SUSPENSION FOR NON-COMPLIANCE @ \$50.00 EACH \$ _____
- 13. _____ DUPLICATE CERTIFICATE @ \$10.00 EACH \$ _____
- 14. _____ PREVIOUS BALANCE \$ _____
- 15. _____ BOOKKEEPING CHARGE @ \$25.00 \$ _____
- 16. _____ OTHER: _____ \$ _____

TOTAL FEE \$ _____

LESS AMOUNT PAID \$ _____

BALANCE DUE \$ _____

OR

REFUND REQUESTED \$ _____

BY (STAFF SIGNATURE) _____ DATED _____

APPROVED BY _____ DATED _____

CHECK # _____ ISSUED ON _____ BY _____

\$1,577.00